



Daily Report

China

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Daily Report

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7 May 1991

NOTICE TO READERS: On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

Wan Li Meets Foreign Parliamentarians

OW0605132491 Beijing XINHUA in English
1206 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Wan Li, chairman of the Chinese National People's Congress (NPC) Standing Committee, met here today with foreign parliamentary delegations which were on their way home after attending the 85th Congress of the Inter-Parliamentary Union held in Pyongyang.

The delegations represent Bolivia, Chile, Morocco, Thailand, Tunisia, Yugoslavia, Austria, Czechoslovakia, Ecuador, Egypt, New Zealand, Peru, Sri Lanka, Venezuela and the Arab Inter-Parliamentary Union.

During the meeting, Wan said that at the 85th Congress of the Inter-Parliamentary Union, which ended recently, China's NPC delegation had extensive contacts and friendly cooperation with parliamentary delegations from other countries. The NPC is willing to further strengthen its ties with parliaments of other countries and play its due role in safeguarding world peace and promoting friendship between parliaments and peoples of different countries.

Wan stressed that China is willing to further develop friendly relations and cooperation with other countries on the basis of the Five Principles of Peaceful Coexistence.

"We believe the five principles should also be taken as a reasonable foundation for the establishment of a new world political and economic order," he added.

He said that China will adhere to the policy of reform and opening to the outside world, work hard to build socialism with Chinese characteristics and, at the same time, make unremitting efforts to promote common prosperity and development of all countries.

After the meeting, Vice-Chairman of the NPC Standing Committee Peng Chong, on behalf of Chairman Wan Li, hosted a banquet for the foreign guests.

Li Ruihan Meets Project Orbis President

OW2604152191 Beijing XINHUA in English
1509 GMT 26 Apr 91

[Text] Beijing, April 26 (XINHUA)—Li Ruihan, Standing Committee member of the Political Bureau of the Chinese Communist Party Central Committee, met with Oliver Foot, president of the international flying eye hospital (Project Orbis), here this afternoon.

As the world's only flying eye hospital, Orbis has conducted medical training programs in more than 50 countries. Between 1982 and 1988, 7,000-plus patients had their sight restored while on board a DC-8 jet.

Li spoke highly of the Orbis' efforts to promote the world's welfare cause and to fight the loss of eyesight.

He described its work as "of great importance and deserving respect," and extended thanks for the training and technical exchanges it has rendered to its Chinese counterparts.

During the meeting, Foot briefed Li on Project Orbis' global plan to cure eye diseases, as well as its cooperation with the Chinese side.

It was learned that in 1988, Orbis and the Chinese Ministry of Public Health signed an agreement stipulating that the hospital would send three groups of experts to train Chinese eye doctors and nurses each year. The training is free of charge.

Cheney Presents 'Framework' for Postwar Security

OW0605001491 Beijing XINHUA in English
2342 GMT 5 May 91

[Text] Washington, May 5 (XINHUA)—U.S. Defense Secretary Dick Cheney left here this morning on a five-day tour of the Gulf states for postwar security arrangements of the region.

Pentagon Spokesman Pete Williams said that Cheney will "present a framework of what we think the right mix of things should be" during his visit of Saudi Arabia, Kuwait, Qatar, Bahrain, Oman and the United Arab Emirates.

The framework would include the storage of equipment for an armored division in Saudi Arabia so that U.S. military personnel can be quickly combat-ready if they are rushed back in cases of emergency.

It also calls for increased U.S. naval presence in the Gulf, frequent U.S.-Arab joint exercises and a permanent forward headquarters, located probably in Bahrain, of the U.S. Central Command to coordinate the military activities.

However, Saudi Arabia seems to be weary of the U.S. military presence in the Gulf region. Prince Khaled Bin Sultan, who commanded the Arab and Islamic forces during the war, told THE NEW YORK TIMES that Saudi history, traditions, and culture all weighed against a substantial American presence in his country.

He was quoted as saying that the Saudi Government has yet to decide whether the United States would be permitted to store heavy military equipment in the kingdom.

Cheney is also expected to talk with his hosts on arms sales to the region. A team of officers from the Joint Chiefs of Staff is in the Gulf to assess the long-term security needs of the Gulf states, in particular the longer-range arms sales agreements, it was reported.

The United States has only withdrawn one quarter of the military hardware used in the Gulf war from the region while 60 percent of the personnel have left. Much of the equipment is believed to be on sale to the Gulf states.

Williams said that Cheney will not sign any agreement with the Gulf states during his trip, but his discussions "will move this whole process into the final phase to prepare for agreements to be signed later on down the road".

Reports Continue on Situation in Gulf Region

U.S. Extends 'Security Zone'

OW0605005091 Beijing XINHUA in English
0027 GMT 6 May 91

[Text] Cairo, May 5 (XINHUA)—U.S. troops, backed by Apache helicopter gunships and A-10 "Warthog" warplanes, today pushed southward to the outskirts of Dohuk, capital of Iraq's northwest province, reports reaching here said.

The reports said soldiers from the Third Battalion of the U.S. 325th Airborne advanced some 30 kilometers down a main north-south highway in Humvees equipped with TOW anti-tank missiles, chasing some 200 Iraqi troops out of the place.

Today's punch to Dohuk, some 50 kilometers from the Iraqi-Turkish border, marked "the most significant southern advance" by the allied force in their military effort to expand a "security zone" for the Kurdish refugees.

U.S., British, French and Dutch forces have already extended their "security zone" east to an area past Amadiyah, more than 80 kilometers from Zakho, site of the first allied-built refugee camp.

The "security zone" was established for Iraqi Kurds who have fled their homes after a failed rebellion against the government of President Saddam Husayn following the end of the Gulf war.

Some 30,000 of the estimated 2 million Kurdish refugees have returned since the initial security zone was erected in April and U.S. officials said another 50,000 of Kurds will have a home to return to if the allies take Dohuk.

No more than 5 percent of Dohuk's estimated 380,000 population remain in the city.

India Adopts Hands-Off Policy

OW0605092591 Beijing XINHUA in English
0738 GMT 6 May 91

[Text] New Delhi, May 6 (XINHUA)—India will not associate itself with the United Nation's move to set up a panel to resolve the border dispute between Kuwait and Iraq, highly-placed Indian diplomatic sources said.

As a member of the U.N. Security Council, India seems to have decided to adopt a hands-off policy on this sensitive issue, the sources were quoted by "INDIAN EXPRESS" today as saying.

"India will not get involved either with the U.N. commission on the Kuwait-Iraq border dispute or with the U.N. panel on the elimination of Iraq's chemical and other weapons of mass destruction," the sources added.

New Delhi is understood to have taken the line that the border dispute between two sovereign countries such as Kuwait and Iraq should be settled through a bilateral dialog and not under the U.N. auspices, the report said.

According to the sources, there is also a clear reason behind India's "keen desire not to get involved" in the U.N. exercise on the elimination of Iraq's weapons. India's view is that the U.N.'s intervention in the isolated case of Iraq is "no way" to go about the business of disarmament, an issue of global dimensions.

India has also decided not to support the United Kingdom's proposal for the creation of a United Nations "police force" to replace the U.S.-led coalition forces now deployed in northern Iraq to create and sustain a "safe haven" for the Kurdish refugees.

India feels that the U.N. can mandate a "police force" only "at the request of Iraq". Otherwise, the force would seem to violate the sovereignty of a member of the United Nations, the sources said.

PRC Joins Peacekeeping Force

OW0605214591 Beijing XINHUA in English
1831 GMT 6 May 91

[Text] Cairo, May 6 (XINHUA)—The last remaining U.S. troops will withdraw from southern Iraq tomorrow as U.N. peacekeepers are fully deployed now on the Iraq-Kuwait border, reports reaching here said.

"We will be fully operational today," U.N. spokesman Majid Fayad said in an interview at the SAS Hotel in Kuwait City, which serves as headquarters for the peacekeeping mission.

Meanwhile, the U.S. Army completed nine days of airlifts that took 8,211 Iraqi refugees from the Iraq's border town of Safwan to a Saudi camp in Rafha, said Lt. Col. John Kalb.

Kalb said 2,400 U.S. troops from the Third Armored Division—the last U.S. soldiers in southern Iraq—would withdraw Tuesday after they finished cleaning up the camp they have operated for almost two months.

The withdrawing U.S. forces will move only a few kilometers south into northern Kuwait, where the Third Armored Division is headquartered, Kalb said.

Under the terms of the U.N. peacekeeping mission, all American, Iraqi and Kuwaiti troops will pull out of the demilitarized zone now that the U.N. forces are in place.

U.N. military observers have established about 15 observation posts along the 190-kilometer border between Iraq and Kuwait, Fayad said, adding that the zone runs 10 kilometers into Iraq and five kilometers into Kuwait.

Fayad said more than 1,400 of U.N. peacekeeping force have arrived. A total of 36 states have contributed personnel, including, for the first time, all five permanent members of the U.N. Security Council—Britain, France, China, the Soviet Union and the United States.

UN Mission To Review Cambodia Situation

OW0605200391 Beijing XINHUA in English
1844 GMT 6 May 91

[Text] United Nations, May 6 (XINHUA)—A U.N. mission will be sent to Cambodia to review the situation in the war-torn Indochinese country, a U.N. official said here today.

Francois Giuliani, spokesman for the U.N. secretary general told reporters at the [words indistinct] briefing that with a view to making an on-the-spot review of the situation in Cambodia, the two co-chairmen of the Paris Conference on Cambodia (PCC)—France and Indonesia “have decided to send a mission to the area.”

The mission will be led by Major General Timothy Dibuama, military adviser to the secretary general, and including Colonel Castagnet-Cazalis of France and Colonel Sutarto of Indonesia, and is expected to begin its review by the end of this week, Giuliani said.

He also said that the secretary general and the two co-chairmen of the PCC are gratified that the appeal they made on April 22 for a temporary cessation of hostilities in Cambodia at least until the conclusion of the proposed Jakarta meeting between the two co-chairmen and the 12 members of the Supreme National Council of Cambodia was accepted by all the parties concerned in Cambodia.

“They attach the highest importance to this voluntary ceasefire as a sign of the commitment by the parties concerned to reach a positive result at the Jakarta meeting, now envisaged for early June,” Giuliani added.

According to earlier reports, the upcoming Jakarta meeting will discuss the draft agreements of November 26, 1990 and explore ways to resolve the pending issues.

The draft agreements of November 26, 1990 consists of a final statement, an agreement on a comprehensive political settlement of the Cambodia conflict, an agreement concerning the sovereignty, independence, territorial integrity and inviolability, neutrality and national unity of Cambodia and a declaration on rehabilitation and reconstruction of Cambodia.

Reports on Possible U.S.-Soviet Summit Noted

Gorbachev Wants Early Summit

OW0605031091 Beijing XINHUA in English
0139 GMT 6 May 91

[Text] Moscow, May 5 (XINHUA)—Soviet President Mikhail Gorbachev made the suggestion today that a

Soviet-U.S. summit meeting should be held soon, noting an early convening of such meeting is in the best interests of both sides.

Gorbachev's comment came in a meeting with Rupert Murdoch, president of the News Corporation. The Soviet president said the attitude of his country toward summits has not changed, adding that both countries should frequently hold such gatherings.

If Washington is still confident that the proposed summit is not only necessary for the Soviet Union but also the United States, both sides should not delay any further toward an early convention of a meeting, Gorbachev told Murdoch.

The next Soviet-U.S. summit had originally been scheduled for February, but was postponed to be held on a later date in the first half of this year.

However, the exact date for the summit has not been set so far due to some changes in the Soviet-U.S. relations.

During his talks with Murdoch, Gorbachev expressed uneasiness over signs that the United States seems to be revising relations with the Soviet Union, saying such signs have appeared not only in official statements, but also in some economic and political steps as well.

“The special value of Soviet-U.S. relations should be considered constantly; they should not pass through meaningless tests,” the Soviet president warned.

Shevardnadze Favors Possibility

OW0705004491 Beijing XINHUA in English
0026 GMT 7 May 91

[Text] Washington, May 6 (XINHUA)—Former Soviet Foreign Minister Eduard Shevardnadze indicated today that it is still possible for leaders of the United States and the Soviet Union to hold a summit meeting later this year.

Answering questions from reporters after his meeting with U.S. President George Bush this morning, Shevardnadze said he talked about the summit issue with Bush “in general.”

“I can not say when,” he said. “It will be necessary to do a great deal of solid preparation beforehand.”

Shevardnadze, who is on a private visit to this country, said there has been “a certain pause” in the U.S.-Soviet relations, but this is “a temporary phenomenon only.”

“This is why we need a summit meeting,” which “always stimulates things and makes things more dynamic,” he said.

He said the differences between the two countries on the arms control issues are technical.

The U.S.-Soviet summit was originally planned for mid-February, but it was postponed because of the Gulf situation at that time and disputes between the two sides over arms control.

During the meeting, Shevardnadze appealed to the United States to help the Soviet Union overcome economic difficulties.

"The market economy which we were striving to set up now will be, I think, a good guarantee for the possibility of cooperating on a mutually beneficial basis," he said.

However, Bush said last week that Moscow's request for an additional 1.5 billion dollars in credit guarantees to help buy food is "up in the air" and may depend on Soviet efforts to improve their credit worthiness and food-distribution system.

In an address to the Brookings Institution before meeting Bush, Shevardnadze also proposed international sanctions to compel Arab and Israeli negotiators to join peace talks that U.S. Secretary of State James Baker is trying to arrange.

The former Soviet foreign minister also met with Baker today.

Gorbachev Seeks Improved Ties With Japan

OW0605060591 Beijing XINHUA in English
0537 GMT 6 May 91

[Text] Moscow, May 5 (XINHUA)—Soviet President Mikhail Gorbachev told a group of visiting Japanese Liberal Democrats that the Soviet Union and Japan should be drawing closer to each other in an effort to find solutions to their common problems.

In a meeting with the Japanese Liberal Democratic Party delegation led by Michio Watanabe, Gorbachev emphasized "the need to make maximum use of the momentum from the first Soviet-Japanese summit to persistently work to improve bilateral relations and meet each other halfway," according to the official Soviet News Agency TASS.

Gorbachev noted that a presidential decree is being prepared in the Soviet Union and its draft will be thoroughly studied by the leaders of the Russian Federation, which is the largest of the 15 Soviet republics, the official Soviet news agency reported.

The decree will mark the beginning of the implementation by the Soviet side of more than 10 agreements signed by the two countries during Gorbachev's visit to Japan last month, TASS noted.

The group of Japanese Liberal Democrats is the first important Japanese delegation to visit the Soviet Union since Gorbachev's trip to Japan last month.

During talks with Gorbachev, Watanabe said the Japanese people have assessed the Soviet president's visit "as an event of immense historic importance," but he also

expressed regret that the two sides did not reach any agreement on the territorial dispute between the two countries.

Japan has been demanding that the Soviet Union return to Japan the four small islands off Hokkaido—Etorofu, Shikotan, Kunashiri and Habomai—which have been occupied by the Soviet Union since the end of the Second World War. Japan sees the 46-year-old territorial dispute as the major obstacle hampering the further development of Soviet-Japanese ties.

U.S.-Philippines Bases Controversy Continues

Bush Stresses Importance

HK0705050791 Beijing Radio Beijing in Tagalog
1130 GMT 6 May 91

[Text] United States President George Bush said he hopes that his country and the Philippines will reach an agreement during the dialogue on future of the American military bases in the Philippines. He said that his country will not be compromised, however. Bush also told reporters that the United States will not be pushed into dismantling Clark Air Base and Subic Naval Base. He said both bases are considered important for his country, and the U.S. and the Philippines will eventually reach an agreement.

'News Analysis' on Talks

OW0605195991 Beijing XINHUA in English
1853 GMT 6 May 91

["News Analysis: Will New Treaty on U.S. Bases in Philippines Be Signed? (by Wang Jinhe)"]—XINHUA headline]

[Text] Manila, May 6 (XINHUA)—The seventh round of talks between the Philippines and the United States ended last Friday without reaching agreement on the two key issues of a new treaty on the U.S. military bases in the Philippines.

The two issues are compensation and duration of the continued stay of the bases after the expiration in September of the present treaty on the bases signed in 1947.

Is it still possible for a new U.S. bases treaty to be signed before September 16 this year when the existing one expires?

Different views have been aired here on this question. Some held that it is really hard to tell about the future of the talks, let alone a new treaty.

However, others say that the two sides will eventually sign a bases treaty before the expiration of the present one.

The exploration talks on the bases began in May last year. During the talks, the Philippine side served a note to the U.S. side, saying that in accordance with the 1987

Constitution of the Philippines, the 1947 agreement on the U.S. bases here will terminate on September 16 this year.

Philippine chief negotiator and Foreign Affairs Secretary Raul Manglapus stressed that this was "a question of sovereignty."

The official bases talks began last September and was later dubbed the "Philippine-American Cooperation Talks" (PACT).

One year of negotiations has seen the Philippine panel making considerable concessions: It has modified its demand on the duration (of the continued stay of the U.S. bases after September this year) from five years to seven years, and its demand for compensation from the originally proposed two billion U.S. dollars to 825 million U.S. dollars.

The U.S. panel, on the other hand, has remained steadfast in its position on demanding a 10-12 years phase-down period and access to the bases afterwards, with an offer of only 360 million U.S. dollars in the forms of grants to the Philippines.

The Philippine demand of 825 million U.S. dollars is divided into a 400-million U.S. dollar "hard component" and a 425-million U.S. dollar "soft component" in the form of trade access, debt relief, excess defense materials, and surplus medical equipment.

The cash demand difference between the two sides is now only 40 million U.S. dollars.

Then, why can the two sides not come to an agreement on the bases treaty?

Observers here say that each side has its own reasons for still bargaining on the negotiating table.

The Philippine panel sticks to its position because of the domestic situation which is characterized by a surging of nationalism.

Filipinos say that it is not genuine independence if foreign military bases and troops are still stationed in the Philippines. Therefore, whenever the bases negotiation is on, there are demonstrators, shouting "U.S. bases out," "Yankees go home."

Besides, under the 1987 Philippine Constitution, any new treaty about foreign military bases in the country must have the approval of the 23-member Philippine Senate, but most of the senators are anti-bases. The members of the Philippine panel cannot neglect this.

Observers also noted that in the past two years or so, the United States has become very complacent and its complacency reached its peak following the end of the Gulf war.

However, each side has to depend on the other side for something. Lying on the vital communication line of the Pacific and Indian Oceans, the Philippines has been a

strategic point ever since the ancient times. Subic port is a good deep-water port for ships. And it is not easy for the U.S. to move the bases away to elsewhere, the moving cost alone would reach some 2.5 billion U.S. dollars, according to reports.

On the other hand, some 20,000 American military personnel stationed in the Philippines spend some one billion U.S. dollars a year in the country. The U.S. bases also provide some 70,000 jobs for the Filipinos.

Both sides have kept telling the press that they are hopeful that a new treaty will emerge out of the difficulties they are now facing.

Observers here hold that through one year of negotiations, the two sides have reached some understanding and have common views on a number of issues. Although at the moment they are still negotiating on the issues of compensation and duration, it is expected that a treaty covering the continued stay of U.S. military bases in the Philippines will be in place before the present one expires.

The Manila trip of U.S. Vice-President Dan Quayle scheduled late this month, as announced by the U.S. side, should provide a good clue as to when the treaty will be signed.

Kaifu, Aquino Discuss Bilateral, Regional Issues

OW0505200391 Beijing XINHUA in English
1559 GMT 5 May 91

[Text] Manila, May 5 (XINHUA)—Philippine President Corazon Aquino and visiting Japanese Prime Minister Toshiki Kaifu held talks here this morning in Malacanang, the presidential palace.

The two leaders had a wide-ranging discussions on bilateral relations and regional and international issues of mutual concern, according to a news briefing given by the foreign affairs officials of the two sides this afternoon.

Japan is very much concerned with the issues in Asia, Kaifu said, adding that it should continue to play its role in economic terms and is going to play a greater political role as well.

During the talks, Kaifu expressed his contrition at Japan's atrocities in Asia and the Pacific during World War II, which inflicted unbearable sufferings, sorrow on the people in Asia-Pacific.

"The Japanese people are resolved never to let those actions in World War II happen again," Kaifu was quoted as saying.

With regard to the dispatch of Japanese minesweepers, Kaifu explained that it was out of peace purpose. A ceasefire is in effect in the Gulf, but the ships cannot go into the Gulf to help with the reconstruction due to the

unsafe navigation route as a result of the impediments—the mines laid by Iraq troops.

On Cambodia issue, Kaifu said a ceasefire agreement has been reached, but many steps are still needed for a comprehensive solution.

During the talks, President Aquino expressed her thanks to Japan for its support to and promised participation in the Asia-Pacific Regional Security Conference, which is initiated by the Philippines. The meeting is scheduled for June 6-7 in Manila.

Mrs. Aquino said that her country support in principle the convocation of an international conference on the Middle East. She expressed her concern about the human sufferings in northern Iraq at the present.

The Philippine president said that her country is working to improve the investment environment and hoped that Japan would continue its assistance in her country's economic development.

UN To Extend Central America Observer Group

*OW0605184191 Beijing XINHUA in English
1814 GMT 6 May 91*

[Text] United Nations, May 6 (XINHUA)—The U.N. Security Council today renewed the mandate of the U.N. observer group in Central America (ONUCA) for another six months.

Under a resolution unanimously adopted this morning at its meeting presided over by Ambassador Li Daoyu of China, which holds the rotating presidency in May, the Council decided to extend the mandate of ONUCA until November 7 this year.

The extension was made on the recommendation of Secretary-General Javier Perez de Cuellar, who last month presented a report to the Security Council on ONUCA's operations and the situation in Central America.

The U.N. chief also recommended that the number of ONUCA military observers be reduced from the present 158 to 130.

In the resolution today, the Security Council approved the U.N. chief's report and drew attention to the need "to continue to monitor expenditures carefully during this period of increasing demands on peace-keeping resources."

According to the secretary-general's report, at the beginning of April 1991, UN paid assessed contributions to the ONUCA special account for the mandate periods ending May 7 this year amounted to 7.5 million U.S. dollars.

The mandate of ONUCA, first established by the Security Council on November 7, 1989, for a period of six months, has been repeatedly extended. The current mandate is to expire on May 7.

ONUCA's task is to verify compliance with the security undertakings the five Central American governments had agreed on in 1987 concerning the cessation of aid to "irregular forces and insurrectionist movements" active in the region and the prevention of the use of the territory of one state for attacks on any of the other states.

Perez de Cuellar said in the report that he remains convinced that "ONUCA continues to make a valuable contribution to the peace process in Central America."

In addition to the military observers, ONUCA also has a naval squadron, which now has a crew of 29.

The military observers are deployed throughout the five Central American countries—Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

No Progress Seen in Hungarian-Soviet Talks

*OW2904143591 Beijing XINHUA in English
1411 GMT 29 Apr 91*

[Text] Budapest, April 29 (XINHUA)—No fresh substantial progress has been made in the Soviet-Hungarian talks on a basic treaty governing the two countries' future relations, local newspapers reported today.

David Meiszter, deputy secretary of state of the Hungarian Foreign Ministry, held discussions Sunday with Soviet Deputy Foreign Minister Yuliy Kvitsinski on the clauses of a new treaty that will govern future relations between the Soviet Union and Hungary.

This is the third meeting on the question at deputy foreign ministerial level between the two countries.

Meiszter said after the meeting that no substantial progress had been made to finalize the clauses of the basic treaty.

But both sides have reached consensus on 80-85 percent of the treaty, with some differences left on the clauses concerning the "security-partner relations" between the two nations, Meiszter added.

The two sides agreed to continue their talks on the question in the future.

Last December, Soviet President Mikhail Gorbachev invited Hungarian Premier Jozsef Antall to visit the Soviet Union in February, 1991, to sign the basic treaty.

Antall's scheduled visit has nevertheless been delayed time and again due to discords in some clauses of the basic treaty.

The Soviet side said the exact date of Antall's visit will depend on the results of the Soviet-Hungarian treaty talks.

United States & Canada

Li Peng Views Ties With Outgoing U.S. Envoy

HK0705124891 Beijing XINHUA in English
1235 GMT 7 May 91

[“Li Peng: China Attaches Importance to Ties With U.S.”—XINHUA headline]

[Text] Beijing, May 7 (XINHUA)—Chinese Premier Li Peng reiterated that China attaches importance to its relations with the United States, when he met with out-going U.S. Ambassador to China James Lilley here this afternoon.

Over the past two years and more, Li said, China has made great efforts to improve and develop Sino-U.S. relations, adding that “we hope to continue improving and developing our relations with the United States on the basis of the five principles of peaceful coexistence and the principles stipulated in the three joint communiques signed by the two countries.”

The development of Sino-U.S. relations will not only benefit the people of the two countries, but will also benefit the peace and stability in Asia and in the world, Li said.

He expressed his belief that James Lilley will continue to work for the further improvement and development of Sino-U.S. relations at his new post.

James Lilley expressed the same wish. He thanked the Chinese Government for its support to and cooperation with him during his tenure of office.

Qian Qichen Meets U.S. Undersecretary Kimmitt

HK0605100491 Beijing XINHUA in English
0957 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Qian Qichen, Chinese state councillor and foreign minister stated here today that China attaches importance to Sino-U.S. relations and has made great efforts to restore and improve such relations.

However, he stressed, improvement of Sino-U.S. relations “requires joint efforts from both sides.”

Qian made the statement in a meeting with visiting U.S. Undersecretary of State Robert Kimmitt.

Kimmitt said he is here “to help advance Sino-U.S. relations.” He suggested both sides keep the consultations going.

Qian and Kimmitt also discussed the Mid-east and other international issues.

The U.S. undersecretary of state arrived in Beijing yesterday for Sino-U.S. political consultations at the level of vice-foreign ministers, on the invitation of the Chinese Foreign Ministry.

This morning, Chinese Vice-Foreign Minister Liu Huaqiu held talks with Kimmitt. They had extensive exchange of views on Sino-U.S. relations and major international issues of common concern.

This afternoon, Chinese Vice-Minister of Foreign Economic Relations and Trade Tong Zhiguang met with Kimmitt. They exchanged views on Sino-U.S. economic and trade relations.

Claim of Prison-Made Exports to U.S. Denied

OW0605141791 Beijing XINHUA Domestic Service
in Chinese 1123 GMT 6 May 91

[Text] Beijing, 6 May (XINHUA)—The warden of the Beijing Prison, who once received Wolf, a member of the U.S. House of Representatives, stated a fact today, saying that Wolf’s accusation that socks produced by his prisoners were exported was a rumor.

According to a “WASHINGTON POST” report, at a recent hearing held by the U.S. Senate Foreign Relations Committee, Wolf, who visited China in March this year, showed five pairs of socks he got during his visit to a factory run by the Beijing Municipal Prison, and, using the socks as an “evidence,” accused China of exporting to the United States products made by people under reform through labor.

To understand the fact, this reporter visited some of the people who were involved. Zhou Dejun, warden of the Beijing Municipal Prison, who received Wolf when the latter visited the prison, recalled: At 0200 on the afternoon of 27 March this year, Smith and Wolf, both members of the U.S. House of Representatives, and three other persons, visited the prison’s sock and plastic products shops. At the sock shop, Wolf, without permission, took a few pairs of semifinished socks from a work bench and intended to put them in his pocket. When he was told that he was not allowed to take them, Wolf said he would buy them as souvenirs. Zhou Dejun told him that those were not finished products, and said, if he liked, he would give them a few pairs of finished socks.

After the visit, Zhou Dejun gave each visitor five pairs of socks as souvenirs. This is how Wolf got the socks he showed at the hearing.

Zhou Dejun said that during the visit, Wolf asked if socks produced there were exported. He said: I clearly explained to them that the vast majority of prison products are sold within the reform-through-labor establishment, and a small part of them are sold to domestic markets through regular channels, and that they have never been exported.

The warden said: I really cannot understand, as a respected member of the U.S. House of Representatives, why Mr. Wolf, knowing everything I just said, ignored the fact after returning to his country and used the souvenirs we gave them as evidence for his rumors.

Wang Deren, an official of the Chinese People's Institute of Foreign Affairs who accompanied Wolf and his party to visit prisons, was also surprised at the behavior of this U.S. Congressman who abused the hospitality of the guests and concocted rumors [zhi zao 0455 6644]. He said: Congressmen Smith and Wolf were the guests of the Chinese People's Institute of Foreign Affairs. They expressed their interest in understanding problems of religion and family planning in China. Before coming to China, Wolf expressed his wish, through the U.S. Embassy in China, to visit one of our prisons, saying that his daughter was working in a prison in the United States and he himself was interested in prisons. He continued: "We fulfilled their requests, but to our surprise, the five pairs of socks presented to him by the warden were concocted [bei nie zao cheng 5926 2250 6644 2052] as an example of products made by reform-through-labor prisoners."

An authoritative person in charge of Chinese trade and economic affairs pointed out earlier: Chinese trade and economic departments have never allowed departments in charge of reform through labor the power to handle foreign trade. Units in charge of reform through labor are not allowed to handle export and trade because state organs in charge of trade and economy administer export and trade affairs through administrative means such as export licenses and quotas. In addition, customs offices conduct rigid supervision of such trade and exports.

Wang Dongli, an official of the Reform-Through-Labor Bureau under the Ministry of Justice said: Officials at the U.S. Embassy in China are clear concerning the export of products made by prisoners. Last March, Wang Dongli, accompanied officials of the U.S. Embassy in China, went to prisons in Beijing to conduct a careful on-site study concerning problems of production, sales, and profit distribution of products. They saw the trade marks in particular and understood that products made in prisons are not for export.

This official said: In accordance with relevant regulations of the PRC Criminal Law, Chinese prison authorities organize criminals to do manual labor. This also conforms to the relevant regulations of the UN's "Regulations Governing the Minimum Treatment Standard of Prisoners" that "prisoners serving their sentences must work." He said: Chinese prison authorities organize criminals to do productive labor to help them learn to master a skill, which helps them find future employment and become useful people in society after they serve their terms. In addition, this will also improve the living standard and welfare of prisoners. While working in prisons, they enjoy such welfare treatment as labor protection and medical services basically similar to those enjoyed by workers of state-owned enterprises.

U.S. Senator Links Human Rights, MFN Renewal

HK0505034891 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 5 May 91 p 4

[BY Danny Gittings]

[Text] An influential United States senator yesterday backed the mandatory repatriation of Vietnamese boat people from Hong Kong, and said the U.S. must do more to stem the flow of asylum seekers.

"Mandatory repatriation should be there for some," Senator Paul Simon said as he wound up a four-day visit to Hong Kong.

The legislator—who led last year's successful congressional campaign to boost immigration from Hong Kong—also warned China could lose its most-favoured-nation (MFN) trade status unless Beijing took rapid steps to improve its human rights record.

Senator Simon said he accepted the U.S. had a duty to help Hong Kong solve its boat people problem, since U.S. foreign policy had helped cause it. "It's clear that U.S. policy towards Vietnam is one of the aggravating factors in the exodus from Vietnam," he said.

He said the first priority was to halt the influx of Vietnamese asylum seekers. "Until you have that problem solved, temporarily solving the problems of people who are at Whitehead or other camps here does not really resolve the situation," the senator said.

And he called for the immediate lifting of the U.S. trade embargo against Hanoi and the establishment of diplomatic relations. "If it were up to me the timetable would be tomorrow," he said.

But Senator Simon admitted his views on Vietnam were at odds with those of the Bush administration, and still represented a minority viewpoint within Congress.

On MFN, the influential legislator—whose trip to Hong Kong was sponsored by the powerful Senate foreign relations committee, of which he is a member—said he wanted to see improvements in human rights before he decided whether to vote for its renewal in June.

And he warned Congress would not be swayed by threats from Beijing that cutting off MFN would wreck Sino-U.S. relations.

"MFN is not a right that any country has," he said.

Noting the Soviet Union still did not have MFN status while China did, the legislator said: "When I ask myself is China better on human rights than the USSR I have to say the answer is clearly no."

Senator Simon—who sought the Democratic nomination for the U.S. presidential election in 1988, but said yesterday he would not be doing so for the 1992 contest—also said concern about the effects on Hong Kong would not be enough to sway Congress into renewing MFN.

The U.S. President, Mr George Bush, last year cited the territory as a major reason behind his decision to renew MFN for a further 12 months, and Hong Kong Government officials and local business leaders have repeatedly

warned that cutting off China's MFN status would have a severe effect on the local economy.

But Senator Simon said yesterday there were other factors involved in the MFN decision more important than its effect on the territory.

"I don't think Hong Kong is the dominant consideration in terms of MFN status," he said. "I think there is something at stake here more than dollars...it is the human rights factor, it is not the dollar factor."

'Disparity' in Sino-U.S. Trade Statistics Eyed

HK0405085191 Beijing GUOJI SHANGBAO
in Chinese 20 Apr 91 p 1

[Article by staff reporter Li Hongmei (2621 4767 2734):
"What Are Reasons for Great Disparity in Sino-U.S.
Trade Statistics?"]

[Text] The imbalance in Sino-U.S. trade has become a very prominent issue in the bilateral economic and trade relations between the two countries, and the great disparity between the statistics provided by the two sides is still more spectacular.

According to China Customs statistics, total Sino-U.S. trade volume in 1990 registered \$11.78 billion, of which China's exports to the United States accounted for \$5.18 billion and its imports from the United States totalled \$6.588 billion, the trade deficit on China's side being \$1.409 billion. But according to U.S. statistics, its exports to China were \$4.8 billion and its imports from China \$15.22 billion, giving it a trade deficit of \$10.42 billion. How did such a great disparity arise in statistics? With this question in mind, this reporter interviewed officials of the General Administration of Customs and the Ministry of Foreign Economic Relations and Trade. The following is a preliminary analysis of the issue.

As far as statistical principle and method are concerned, China and the United States were basically along the same line, as both of them followed international standards. Regarding statistics of imports, both sides followed the principle of place of origin. In case the place of origin is unknown, the United States classified the imports in question by their countries of dispatch; while China classified them under the category of origin unknown. As for statistics of exports, China classified exports by their consumer countries, while the United States by their destination countries. These two ways of classification are basically the same. So, each side's statistics of imports may include all or part of the goods imported from the other side through entrepot trade via a third country (area); whereas exports via a third country (area) may not be included in each side's export volume. Such being the case, statistical disparities will inevitably arise between the two sides.

On the Chinese side, its export statistics did not, and could not, cover the goods that were exported to Hong Kong and other areas and then resold therefrom to the

United States. The United States, however, by referring to the place of origin of imports, counted such entrepot trade as imports from China. This is the major reason for the great statistical disparity between the two countries. The disparity has constantly increased in recent years with the drastic growth of entrepot trade via Hong Kong. For instance, in 1989, the United States recorded an import volume of \$11.99 billion from China; whereas China recorded an export volume of \$4.41 billion to the United States. The difference was \$7.58 billion, in contrast to the value of \$8.45 billion as recorded by Hong Kong statistics under the category of Chinese products reshipped to the United States via Hong Kong. In 1990, the United States recorded an import volume of \$15.22 billion from China, whereas China recorded an export volume of \$5.18 billion to the United States, giving a difference of \$10.04 billion. In the same year, the volume as recorded by Hong Kong statistics of Chinese products reshipped to the United States via Hong Kong was \$10.47 billion, which was 68.8 percent of the \$15.22 billion's worth of the imports from China as reflected by U.S. statistics.

Reviewing the statistics concerning China's major trade products, this reporter has noted that the volume of processed goods with supplied materials took a big proportion in the transit goods sent from China to the United States via Hong Kong. According to statistics provided by the Hong Kong Census and Statistics Department, in 1990, the total value of Hong Kong's imports from Mainland China was \$30.27 billion, of which \$18.7 billion or 62 percent was attributed to products processed with supplied or imported materials. Most of these processed goods were reshipped abroad via Hong Kong. As shown by Hong Kong statistics, of the Hong Kong imports from Mainland China, a \$10.47 billion's worth of goods was shipped to the United States, and 60 percent or more of these reshipped goods were products processed with supplied or imported materials. In view of the fact that all the three parties count the full value of processed and assembled products according to international practice (that is, including the value of imported materials and component parts), the profit that China actually gains as processing charges is rather limited, and the larger portion of the value of these exports rests on the value of the imported materials. In fact China has not earned any substantial foreign exchange revenue from this sort of trade.

On the other hand, as viewed from statistics, in recent years, China's trade of processed goods with supplied and imported materials developed rapidly mainly because traders from Hong Kong, Taiwan, and South Korea moved their labor-intensive productive enterprises to Mainland China to utilize its fairly cheap laborers and raw materials. Since these enterprises sell most of their products to foreign countries, especially to the United States, the geological displacement, as reflected in the trade statistics, shows a decline in the export volumes, thus a decrease in the trade surplus, of Hong Kong, Taiwan, and South Korea to the United

States, coupled with an increase in the volume of China's export (and entrepot) trade. This is another reason for the increasing trade deficit as complained about by the U.S. side.

This reporter has also noticed that, in calculating export volume, the United States also excludes its entrepot trade to China via a third country or area. According to statistics by the Chinese customs, China imported U.S. products with a total value of \$2,887 million, \$2,936 million, and \$2,579 million from third countries or areas in 1988, 1989, and 1990 respectively. Most of these goods were reshipped from Hong Kong, Singapore, Switzerland, the United Kingdom, and Macao.

This reporter has also found that the past decade witnessed remarkable growth in Sino-U.S. trade; while China's annual export volume to the United States accounted for about eight percent of its total export volume, its annual imports from the United States accounted for 11 to 13 percent of its total import volume. This shows that imports from the United States have been playing an increasingly important part in China's total import volume. In recent years, the growth rate of China's imports from the United States was higher than that of the country's total import volume. According to statistics provided by the Chinese side, in 1988, China's total import volume increased by 27.9 percent over 1987 and, in the same period, its imports from the United States increased by 37.2 percent. The growth rate of China's total import volume in 1989 was 7 percent, while that of the import volume from the United States was 18.5 percent. In 1990, total import decreased by 17.3 percent, while the import from the United States declined by 16 percent, which was lower than the margin of decrease of the country's total import volume. This also indicates that the United States' position is being intensified in China's market of imported goods. In terms of specific commodities, over the past few years quite a number of U.S. products have always predominated over products of the same categories imported from other countries in the Chinese market. From 1988 to 1990, the individual volume of about a dozen kinds of products imported to China from the United States surpassed \$100 million. Of these products, the import volume of chemical fertilizers, log cabins, raw cotton, terephthalic acid, computers, airplanes and their parts, and oil extraction equipment, all made up over 50 percent of China's imports of same categories during the same period; in certain cases, it even rose to as high as 90 percent.

This reporter believes that the imbalance in Sino-U.S. trade is an objective fact, regardless of the different views held by the two sides on the statistical method. How to reach a common understanding on this issue is the key to the promotion of bilateral economic relations and trade. Shi Jianxin, deputy director of the Department of North America and Oceania Affairs under the Ministry of Foreign Economic Relations and Trade, frankly noted: "China has noticed the decrease in U.S. exports to China and has stated that it understands the

wish of the United States to increase its exports to China. China is now taking steps to coordinate the development of bilateral trade. The Ministry of Foreign Economic Relations and Trade will soon send a large delegation to the United States to purchase whatever products can be provided by the United States and are necessary to China. The development of trade is restricted by many factors, however. For instance, Japan and other Western countries offer preferential export loans, but the United States does not offer any. This makes U.S. products less competitive. What is more, the United States has imposed pretty strict control on export of technology to China. All these factors have affected the United States' efforts to expand export to China. By the way, it takes time for the market to recover, and the expansion of U.S. exports requires joint efforts from both sides too.

As to the U.S. complaint about China's restricting imports and practicing trade protectionism, Shi Jianxin said: China's economic strength is limited and its control over imports is to make sure that the limited amount of foreign exchange is spent on the most badly needed commodities in order of importance and urgency. The purpose of taking some measures to control importation is not to close the market but rather to guarantee the timely assimilation of the most needed technology and equipment. By the way, even some developed countries do impose restrictions on imports with a view to protecting some industries at home. For instance, the United States itself has imposed restrictions on imports of textiles and iron and steel products. After all, one should not ignore the high potential for trade development between China and the United States. Now that China is going to implement its 10-Year Program and Eighth Five-Year Plan, American businessmen will have many opportunities to play a part in various projects. From a long-term point of view, China will not curtail its demand on the imports of high-grade, precision, and advanced technology and equipment, grain, chemical fertilizers, and timber from the United States. As long as the two sides understand each other and make concerted efforts, the U.S. exports to China will have bright prospects.

Head of U.S. Weekly Visits Officials in Beijing

Meets Jiang Zemin

OW0305115691 Beijing XINHUA in English
1128 GMT 3 May 91

[Text] Beijing, May 3 (XINHUA)—General Secretary Jiang Zemin of the Chinese Communist Party Central Committee met with Mortimor Zuckerman, president and editor-in-chief of the weekly U.S. NEWS AND WORLD REPORT, here today.

They had a friendly conversation, according to a Chinese official present at the meeting which took place at Zhongnanhai, headquarters of the Chinese Party and Government.

Mr. Zuckerman and his colleagues arrived here yesterday at the invitation of the Beijing Institute for International Strategic Studies.

Sees Yang Shangkun

OW0605015891 Beijing XINHUA in English
0137 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Chinese President Yang Shangkun met with Mortimer Zuckerman, chairman and editor-in-chief of the U.S. weekly, U.S. NEWS AND WORLD REPORT, and his party at the Great Hall of the People here this morning.

Yang answered questions raised by Zuckerman.

Present at the meeting was Xu Xin, president of the Beijing Institute for International Strategic Studies.

Bush Denies 'Rumors' on Delayed Hostage Release

OW0405002891 Beijing XINHUA in English
0004 GMT 4 May 91

[Text] Washington, May 3 (XINHUA)—President George Bush today denied the allegations that the Reagan-Bush campaign in 1980 managed to delay the release of the U.S. hostages held in Iran to scuttle the reelection of President Jimmy Carter.

Gary Sick, a former aide to Carter, recently said that President Ronald Reagan's campaign manager William Casey struck a deal with Iranian officials in which Iran delayed the hostages' release until after the general elections in return for arms shipped through Israel.

Sick alleged that Bush went to Paris to attend one of those secret meetings with Iranian officials.

During a photo opportunity before meeting Venezuelan President Carlos Andres Perez, President Bush was asked if he was in Paris in 1980 and he said "definitively no".

"Please print it," Bush said, "let's try to stop this rumormongering that's going on, stop repeating rumors over and over again."

Sick has called for Congressional investigations on the allegations and House Speaker Thomas Foley said the House Democrats have begun an informal inquiry to see if there are sufficient evidences to launch a full-scale investigation.

Bush Returns to White House From Hospital

OW0605184291 Beijing XINHUA in English
1745 GMT 6 May 91

[Text] Washington, May 6 (XINHUA)—President Bush, after two-night stay in hospital, this morning returned to the White House to resume his normal activities as his heartbeat has become regular now.

Bush stepped out of his limousine, smiling and waving to a small crowd waiting at the presidential residence. He appeared quite energetic and in good spirits.

Minutes earlier, the presidential medical team, at a news conference in Bethesda Naval Hospital where Bush

stayed, said that they decided not to apply electrical current treatment on Bush this morning because his heart rhythm returned to normal at intervals.

"We would recommend this man (the President), whose heart and health are in perfect condition, resume all his normal activities at full speed," said Captain Bruce Kirr Lloyd, chief of cardiology of Bethesda Naval Hospital.

Presidential physician Burton Lee said that Bush's heart-beat returned to normal rhythm last night after doses of medicine but hours later atrial fibrillation (irregular heartbeat) again occurred. And this morning the heart monitor again showed the President's heart rhythm became normal.

Dr. Allen Ross, a heart expert from George Washington University Hospital, said he would dismiss an ordinary patient with the similar problem of atrial fibrillation as Bush has. Atrial fibrillation is very common in the United States and there are reportedly 2 million people having this minor problem.

Song Jian Addresses Joint U.S. Technology Forum

OW0605125591 Beijing XINHUA in English
1132 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—A seminar on technology management opened in the Great Hall of the People here today.

Attending the opening ceremony were 120 senior government officials, technologists and managers, ranging from directors to general managers of key factories, as well as digital experts from the U.S.-based Digital Equipment Corporation (DEC).

The five-day seminar was sponsored by the Chinese Academy of Sciences, the China Enterprise Management Association (CEMA) and DEC.

The participants will share the experience of DEC in enterprise development, discuss technology developments, explore business management methodology and decision-making skills, and study ways to transfer scientific and technological results and to make greater developments in an era of keen competition and quick changes.

Song Jian, state councillor and minister in charge of the State Science and Technology Commission, spoke at the opening ceremony. He said China has a large contingent of millions of scientific and technological personnel and a strong backbone contingent of researchers.

"We badly need to provide our scientific and technological managers with short-term and effective training like this seminar in order to raise their modern management level. By doing this, we will increase the efficiency of scientific researches as well as promote the development of technology transfer and national economy," he said.

The DEC, founded in 1957 in Massachusetts, is the 30th largest industrial corporation in the U.S.A., it was learned.

Soviet Union

Soviet Defense Minister Yazov's Visit Reported

Meets With Jiang Zemin

OW0705054191 Beijing XINHUA in English
0533 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party (CPC) Central Committee and chairman of the Central Military Commission, met with Marshal Dmitriy T. Yazov, Soviet defense minister, and his party here this morning.

Yazov is here on a friendly visit.

According to an official of the Chinese Ministry of National Defense, Jiang extended a warm welcome to Yazov and briefed him on the achievements the Chinese people have made since the Third Plenary Session of the 11th CPC Central Committee in 1978.

During the meeting, Yazov conveyed to Jiang regards from M. Gorbachev, general secretary of the Central Committee of the Communist Party of the Soviet Union. Jiang asked Yazov to convey his greetings to Gorbachev.

Yazov noted that his current visit to China has left him a deep impression which can be summarized as "the Chinese people are working, laboring and creating, and at the same time they have the capability to safeguard their achievements."

General Qin Jiwei, Chinese state councillor and minister of national defense, General Xu Xin, deputy chief of the General Staff of the Chinese People's Liberation Army, Tian Zengpei, vice-foreign minister, and N.N. Solov'yev, Soviet ambassador to China, were present at the meeting.

Meets Yang Shangkun

OW0705132891 Beijing XINHUA in English
1310 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Chinese President Yang Shangkun met here this afternoon with Dmitriy T. Yazov, visiting Soviet defense minister, and his party.

According to a Chinese official present at the meeting, Yang expressed warm welcome to Yazov's visit to China, saying that this was the first time a Soviet defense minister has led a delegation to visit China since the two countries established diplomatic relations. Yang also said that it was the first time that there were so many high-ranking officers in one Soviet delegation.

Yang said that he hopes more and more friends from the Soviet military will visit China, adding that the Chinese

people have always cherished deep feelings toward the Soviet people. He said that Yazov would see such feelings during his current visit.

Yang also mentioned Mikhail Gorbachev's visit to China in 1989 and General Secretary of the Chinese Communist Party Jiang Zemin's upcoming visit to the Soviet Union. He said that these visits proved that the Sino-Soviet relations have developed to a new stage.

Yang expressed his hope that the friendly relations between the peoples, the parties and the armies of the two countries will be further developed in the future.

At the beginning of the meeting, Yazov conveyed to Yang the greetings from Gorbachev, Lukyanov and Pavlov, for which Yang expressed his thanks. At the end of the meeting Yang asked Yazov to convey his greetings to the Soviet leaders.

In a friendly and frank atmosphere, the two sides also exchanged views on issues of common concern.

Talks With Li Peng

CM0705141191 Beijing XINHUA Domestic Service in Chinese
1240 GMT 7 May 91

[Text] Beijing, 7 May (XINHUA)—Chinese Premier Li Peng said here today that as a friendly neighboring country, China sincerely hopes the Soviet Union soon will get over its temporary difficulties and will maintain the unification and stability of the country.

Li made the remarks at a meeting with visiting Soviet Defense Minister Dmitriy T. Yazov and his party in Beijing's Great Hall of the People this afternoon.

According to a Chinese official present at the meeting, the Chinese premier extended a welcome to the Soviet visitors on behalf of the Chinese Government and people. Li said that Yazov's visit to China is a great event in the relations between the Chinese and Soviet armies, as well as an important aspect in the relations between the two countries.

Li said that the Sino-Soviet relations of friendly cooperation are developing smoothly, and that Chinese Communist Party leader Jiang Zemin will pay an official visit to the Soviet Union soon.

He held that developing Sino-Soviet good-neighborly relations on the basis of the five principles of peaceful coexistence not only is in keeping with the interest of the two countries, but also is conducive to the peace in Asia and the world as a whole.

Yazov said his delegation has toured Guangdong, Shanghai and Beijing and has seen the creative work and achievements scored by the Chinese people and army.

He said it is a very great event for China to have solved the problem of food and clothing for its 1.1 billion people.

Li said: "We still have a long way to go, and the future task is arduous."

In the ten years of reform and opening to the outside world, Li said, China explored the establishment of an economic mechanism that combines a planned economy with market regulation.

"We plan to spend another ten years to finally establish the mechanism and improve it, and will continue our efforts to handle the relations among reform, development, and stability properly."

At the meeting, Yazov conveyed to the Chinese premier greetings from Soviet leaders M. Gorbachev, A. Lukyanov, and V. Pavlov.

Li asked Yazov to convey his greetings to the Soviet leaders.

The two sides exchanged views on international issues of common interest.

Present at the meeting were General Qin Jiwei, Chinese state councillor and minister of national defense; Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army; and Tian Zengpei, vice minister of foreign affairs.

Ministers Eye Cooperation

OW0705144691 Tokyo KYODO in English 1428 GMT
7 May 91

[Text] Beijing, May 7 (KYODO)—Soviet and Chinese Defense Ministers Dmitry Yazov and Qin Jiwei were unable to finalize details of an arms deal during Yazov's five-day visit here, Soviet sources in Beijing said Tuesday.

Yazov is scheduled to leave Beijing for home Tuesday night.

The Soviet sources said China has been seeking military cooperation with the Soviet Union since the United States froze its dealings with Beijing following the military crackdown on dissidents at Tiananmen Square in June 1989.

The sources said China has been interested in purchasing a Soviet-made Sukhoi Su-27 and MiG-29 fighters.

The Soviets have agreed in principle to provide fighters and other arms, but they have yet to negotiate details and the timing of arms supplies, the sources said.

Yazov met Tuesday morning with Jiang Zemin, general secretary of the Chinese Communist Party who also is chairman of the Central Military Commission, the official XINHUA NEWS AGENCY said.

Jiang extended a warm welcome to Yazov and briefed him on the progress in China, XINHUA said. Yazov also conveyed a message from Soviet President Mikhail Gorbachev, XINHUA added.

The Soviet defense minister visited Beijing ahead of Jiang's scheduled visit to Moscow beginning May 15.

Sino-Soviet Trade Predicted To Widen, Diversify
HK0505025091 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 5 May 91 p 1

[By staff reporter Lao Yuan]

[Text] A senior trade official last week expressed China's hope that economic co-operation with the Soviet Union would develop in line with the "economic realities" in both countries and benefit mutual economic development.

Liu Zepu, director of the European department with the Ministry of Foreign Economic Relations and Trade (Mofert), told Business Weekly that based on the Sino-Soviet protocol on economic co-operation and trade for 1991, the bilateral trade would be expanded in more flexible and diversified ways.

The pact, signed in March, was the first trade agreement between the two countries after their two-way trade switched from the previous system of year-end clearance to trading on a cash basis.

He said diversified forms of business include barter trade, border trade, entrepot trade, compensation trade, technology transfers, equity and contractual joint ventures, processing of imported materials and labour service contracts.

From June 15 to 24, a trade fair will be held in the northeast Chinese city of Harbin in Heilongjiang Province, he said, aimed at "maintaining trade ties with the Soviet Union and other East European countries."

Liu said that business discussions at the fair would concentrate on barter and compensation trade, processing of imported materials, and, if possible, trade on a cash basis.

Both the Chinese and Soviet governments have thrown their support to various trade and economic dealings between firms and economic organizations from the two neighbouring countries, Liu said.

In addition, China will push for further growth in barter trade on the frontier, he said.

The imminent visit by Chinese Communist Party chief Jiang Zemin to the Soviet Union, scheduled for May 15-19, would certainly promote the development of bilateral trade and economic co-operation, he said.

Liu believed that the present difficulties and problems in bilateral trade would be "gradually overcome" concerted efforts.

Under the bilateral barter trade agreement for 1989 and 1990, Liu said, China had a "very big" trade surplus in its bank accounts because the other side failed to honour sign contracts or deliver goods.

Besides, there are changes in the Soviet economic system and laws, which may affect the bilateral trade and economic co-operation, Liu said.

However, from a long-term point of view, there is wide scope for the development of Sino-Soviet trade, Liu said, because the economies and resources of the two countries are complementary in many aspects.

Last year, trade between the two countries hit \$3.8 billion, 5.8 percent over the 1989 figure.

"Bilateral economic relations and trade have developed to levels that could meet the actual demand of both countries," Liu said, adding that China was satisfied with the growth.

Chinese trade officials said that it was unlikely for bilateral trade this year to reach last year's levels.

From 1988 to 1990, China and the Soviet Union signed 350 contracts for labour services, with a total value estimated at \$900 million, according to Mofert's publication International Business.

In the same three-year period, under the auspices of Mofert, Chinese firms invested \$28.9 million in opening 34 joint ventures in the Soviet Union, worth a total of \$65 million.

China recently set up a group in Beijing to co-ordinate business among 45 Chinese labour-supply and civil-engineering corporations which have business links with the Soviet Union.

Liu said barter trade on the frontier had accounted for quite a high portion of the bilateral trade.

According to the Mofert statistics, two-way trade between frontier areas totaled nearly \$1.7 billion from 1989 to 1990.

The Chinese border towns mainly exported farm produce, foodstuffs, light industrial products, textiles and electrical appliances in exchange for Soviet steel, timber, fertilizers and machinery.

Wen Jiabao Meets CPSU International Official

*OW0705104791 Beijing XINHUA in English
0826 GMT 7 May 91*

[Text] Beijing, May 7 (XINHUA)—Wen Jiabao, alternate member of the Secretariat of the Central Committee of the Chinese Communist Party, met here today with V.L. Musatov, first deputy chief of the International Department of the Central Committee of the Communist Party of the Soviet Union, and his party. They had a cordial conversation.

Musatov is here on a working visit.

Yeltsin on New Union, State of Emergency

*OW0505011891 Beijing XINHUA in English
0047 GMT 5 May 91*

[Text] Moscow, May 4 (XINHUA)—A new union in the Soviet Union should be a combination of sovereign states joined on a voluntary basis, the parliament chairman of the Russian Federation, Boris Yeltsin, declared here today.

In an interview with the newly-formed Russian television, Yeltsin said the union treaty should not be imposed on the republics by force from the top authorities. It was a process to be developed from the grass-roots.

He disclosed that a recent meeting of President Mikhail Gorbachev and leaders of nine republics recognized for the first time that federal bodies of power in the country should undergo significant changes. But he gave no details about the changes.

The meeting also discussed a possibility of declaring a state of emergency or introducing direct presidential rule in the country, Yeltsin said. He added that the proposal was not supported by the participants.

He believed a state of emergency in present situation would only promote a dramatic worsening of the situation and lead to chaos.

The Russian leader said the meeting also reached agreement on hard currency, the gold reserves and the general licensing of goods for export, and decided to begin working out immediately a clear mechanism for the division of property between republics and the central government.

Ryzhkov To Run for Russian Federation Presidency

*OW0605030991 Beijing XINHUA in English
0231 GMT 6 May 91*

[Text] Moscow, May 5 (XINHUA)—Former Soviet Prime Minister Nikolay Ryzhkov announced he will run for the presidency of the Russian Federation, the largest of the 15 Soviet republics, the Soviet Government newspaper IZVESTIYA reported today.

Ryzhkov told IZVESTIYA in an interview that he had received plenty of letters and telegrams from people in the Russian Federation, encouraging him to accept an invitation to run for the presidency.

An ethnic Russian, Ryzhkov, 62, was hospitalized in December last year following a heart attack. He was replaced by Valentin Pavlov as prime minister of the Soviet Union in a cabinet reshuffle in January this year.

In an effort to run for the republic's presidency, Ryzhkov recently passed an overall medical examination and got a certification that he has fully recovered from the heart attack, according to IZVESTIYA.

The Russian Federation presidential race is scheduled for June 12 this year, and Soviet officials reportedly believe Ryzhkov will be a powerful rival to Russian leader Boris Yeltsin during the upcoming election.

Parliament Appeals for Guard Against Disintegration

OW0705062391 Beijing XINHUA in English
0258 GMT 7 May 91

[Text] Moscow, May 6 (XINHUA)—The Soviet parliament appealed to Soviets today to defend the motherland and guard against disintegration, split and interference from domestic and foreign forces.

This came in an appeal issued by the parliament to mark the 46th anniversary of the victory of anti-fascist war.

According to the TASS News Agency, the appeal called on the people to cherish the memory of anti-fascist martyrs, respect fighters in the war and bear in mind the martyrs' teachings about peace and harmony.

The parliament condemned acts by some people belittling the significance of the anti-fascist war and abusing the martyrs' tombs and monuments.

"We have one single motherland with one single history," it stressed.

Meanwhile, representatives from laboring people and the army in Moscow also held a rally today to mark the anniversary of the anti-fascist war.

As a war participant, Marshal Viktor Kulikov addressed the rally on the significance of the war. Also present at the rally were Deputy President Gennadiy Yanaev and Prime Minister Valentin Pavlov.

Another Earthquake Strikes Georgia

OW0505010591 Beijing XINHUA in English
0054 GMT 5 May 91

[Text] Moscow, May 4 (XINHUA)—Another powerful tremor struck the Soviet republic of Georgia on Saturday, five days after a strong earthquake killed 114.

The latest quake, like Monday's, measured seven on the Soviet 12-point scale, the Soviet TASS NEWS AGENCY reported. It gave no details on casualties or damage.

The quake shook the north-western region of Georgia and wrecked just-repaired roads, TASS said. Relief work was being carried out there with difficulties and the region was suffering a shortage of tents, clothes and medications.

The Soviet Central Government and republics' governments, France, Turkey and the Netherlands had offered aid to Georgia, but difficulty was experienced in sending aid to the region because of the complex political situation in the republic, and destroyed roads and transport systems.

According to official statistics, the earlier quake also left 70 people missing and 67,000 homeless.

Northeast Asia

Li Peng Visits Pyongyang Embassy 6 May

OW0705012291 Beijing XINHUA Domestic Service
in Chinese 0902 GMT 6 May 91

[By XINHUA reporter Gao Haorong (7559 3185 2837)]

[Text] Pyongyang, 6 May (XINHUA)—State Council Premier Li Peng, who is currently visiting the Democratic People's Republic of Korea (DPRK), visited the Chinese Embassy in the DPRK today, where he met with embassy personnel, the staff and experts of other organizations stationed overseas, as well as representatives of students studying abroad.

Premier Li Peng expressed his warm regards to everyone on behalf of the party Central Committee and the State Council, and briefed them on China's political and economic situation. He said: The work you are doing is very important. I hope you will all earnestly do a good job to strengthen the traditional friendship between the peoples of China and the DPRK.

Premier Li Peng encouraged all the foreign based personnel, including the staff of the embassy, to better implement China's independent and peaceful foreign policy, in order to create a conducive international environment for China's four civilization construction.

Premier Li Peng said: Every nation has its own special characteristics and advantages, regardless of its size, wealth, and strength. The DPRK also has its own special characteristics and advantages, and there are areas where we can learn from them in various fields. He hoped that students studying overseas would study hard, enhance unity, and return to China soon to serve the cause of socialist construction.

Li Peng said that students studying overseas also shoulder the heavy mission of strengthening the friendship between the youth and students of China and the DPRK, and he hoped that the students would make contributions in this respect.

After the meeting, Premier Li Peng separately posed for photographs with the embassy personnel, experts, and students studying abroad.

Jiang Zemin Meets With Japan's Takeshita

HK0705015991 Beijing RENMIN RIBAO in Chinese
5 May 91 p 1

[Report by staff reporter Sun Yi (1327 3015): "Jiang Zemin Meets With Former Japanese Prime Minister Noboru Takeshita"]

[Text] Beijing, 5 May (RENMIN RIBAO)—Jiang Zemin, general secretary of the CPC Central Committee, when

meeting with former Japanese Prime Minister Noboru Takeshita in Zhongnanhai this morning, indicated that China and Japan are geographically close, culturally similar, and economically complementary to each other; as long as the two sides make joint efforts, there will be broad prospects for the development of friendly and cooperative relations between the two countries.

Jiang Zemin said: Sino-Japanese relations have basically returned to normal and new developments have been made in some aspects. He said: "This is the result of the joint efforts of the two governments and the people from various circles in both countries." Jiang Zemin pointed out that today's Sino-Japanese relations are the fruits of the hard work of the older generation statesmen in both countries and emphasized that China and Japan should maintain their friendship from generation to generation.

Noboru Takeshita said: Japan and China are two nations commonly using the Chinese characters for writing, so they should strengthen friendly and cooperative relations on the basis of equality and mutual benefit. He stressed that Japan and China should keep their friendship from generation to generation. Takeshita told Jiang Zemin that yesterday he had attended the inauguration ceremony of the Sino-Japanese Youth Exchange Center and he hoped that the center would serve as a base for promoting Sino-Japanese friendship.

Jiang Zemin said: Next year will mark the 20th anniversary of the normalization of Sino-Japanese diplomatic relations and it is hoped that the completion of the youth exchange center will become a new starting point for developing Sino-Japanese friendship.

At the meeting, the host and the guest also exchanged deeply held opinions on issues of common interest. Takeshita and his entourage will leave Beijing for home this afternoon.

Wu Xueqian Congratulates Nakasone on Visit

*OW0705100291 Beijing XINHUA in English
0801 GMT 7 May 91*

[Text] Beijing, May 7 (XINHUA)—Yasuhiro Nakasone, former Japanese prime minister, and his party left here for home by plane this afternoon after a visit to China.

Nakasone and his party visited Beijing, Dalian, Shenyang and Changchun while in China.

Wu Xueqian, vice-premier of the State Council, met with Nakasone at the state guesthouse here today before his departure and expressed congratulations on his successful visit.

Qiao Shi Receives Japanese SDP Delegation

*OW0405145091 Beijing XINHUA in English
1335 GMT 4 May 91*

[Text] Beijing, May 4 (XINHUA)—Qiao Shi, Standing Committee member of the Politburo of the Chinese

Communist Party Central Committee, met this afternoon with a delegation from the Social Democratic Party of Japan led by party Vice-Chairman Makoto Tanabe.

A Chinese official present at the meeting reported that Qiao expressed China's willingness to develop long-term friendly relations and co-operation with Japan, and appreciates the measures instituted by the Japanese Government to restore normal ties between the two nations.

Qiao noted that regardless of changes in the international situation, China hopes that bilateral relations maintain stable growth which is not only conducive to peace in Asia, but also to peace throughout the world.

"China has always opposed hegemonism and power politics," said Qiao.

Tanabe expressed his appreciation for the Chinese Government's position on the Gulf issue.

He said that Japan is an economic power and its contribution to Asia and the world should not be of a military nature. Japan should realize its responsibility for the past war it waged and safeguard its constitution which calls for peace. Japan should never use force, he added.

During the one-hour meeting, both sides expressed satisfaction with the growth in the relations between the two parties.

Tanabe stressed his invitation for Qiao to visit Japan. Qiao extended his appreciation, and accepted the invitation with pleasure.

Wan Li Meets Japanese Tea Ceremony Delegation

*OW0305100291 Beijing XINHUA in English
0955 GMT 3 May 91*

[Text] Beijing, May 3 (XINHUA)—Wan Li, chairman of the National People's Congress Standing Committee, met Sen Soshitsu, head of the Urashenke School of the Japanese Tea Ceremony, and his party here today at the Great Hall of the People.

The chairman also viewed a demonstration of the tea ceremony, which has a history of over 400 years in Japan, after having been introduced there from China.

Over the past few years the Urashenke School has sent 44 groups of people to China for goodwill visits and demonstrations of the tea ceremony to encourage peaceful and friendly contacts through the drinking of tea.

Wan Li said he hoped that the tea ceremony could promote the cultural exchanges between China and Japan.

The delegation will demonstrate the art of the tea ceremony later today at the opening of a teahouse attached to the Japan-China youth exchange center.

Friendship Title Conferred

OW0405170691 Beijing XINHUA in English
1431 GMT 4 May 91

[Text] Beijing, May 4 (XINHUA)—The China-Japan Friendship Association today conferred the title, "Messenger of Sino-Japanese Cultural Exchanges," to Sen Soshitsu, head of the Urashenke School of the Japanese Tea Ceremony, in recognition for his contributions to the development of Sino-Japanese friendship over the years.

Li Ruihuan Meets Japan's Komeito Party Official

OW0505055791 Beijing XINHUA in English
0529 GMT 5 May 91

[Text] Beijing, May 5 (XINHUA)—Li Ruihuan, Standing Committee member of the Political Bureau of the Chinese Communist Party Central Committee, met with Tadao Miki, member of the House of Councillors of Japan and Vice Chairman of the Komeito party here today.

They had a cordial and friendly conversation.

Li expressed appreciation of Miki's cooperation with relevant Chinese organizations.

Miki is in China as guest of the Tianjin Municipal Government and will attend the opening ceremony of the Maruzen Food Tianjin Inc., in Tianjin scheduled for tomorrow.

Tian Jiyun Meets Kawasaki Steel Company Head

OW0605084691 Beijing XINHUA in English
0753 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Chinese Vice-Premier Tian Jiyun met with a delegation from the Kawasaki Steel Corporation of Japan led by its president Shinobu Toozaki here today.

Tian spoke highly of the good relations of cooperation between the corporation and the Chinese side. He also expressed hope for further growth of such relations.

'Roundup' on 'Unease' Over Japan's Regional Role

OW0605184391 Beijing XINHUA in English
1759 GMT 6 May 91

["Roundup: Kaifu's ASEAN Trip Heralds Japan's Greater Political Role (By Zhu Ronggen)"]—XINHUA headline]

[Text] Tokyo, May 6 (XINHUA)—Japan's Prime Minister Toshiki Kaifu's 10-day visit to Southeast Asia has been widely considered as an essential step of Japan to increase its political weight in Asia and the world at large.

From April 27 to May 6, Kaifu travelled to Malaysia, Brunei, Thailand, Singapore and the Philippines—five

of the six members of the Association of Southeast Asian Nations (ASEAN). He visited Indonesia, the other ASEAN member, last year.

Unlike previous visits to the region by Japanese leaders, which were devoted to Japan's closer economic ties with ASEAN members, Kaifu's just-concluded visit emphasized Japan's evolving political role in the international community, analysts said.

In a keynote speech about his ASEAN trip, delivered in Singapore on May 3, Kaifu stressed the need for Japan to play a more active political role in world affairs.

Kaifu said Japan would assume a more positive role in the cooperative effort for peace, not only on a cash-only basis, but in terms of making "personnel contributions." He pledged that this would be based on Japan's peace-oriented constitution, its defense-only policy and a joint defense system deriving from a Japan-U.S. security treaty.

Kaifu said Japan has been urged to have a greater say in the Asia-Pacific region, not only economically but also politically.

In a gesture intended to seek to allay lingering concern in some Asian countries about a possible revival of Japanese military role, Kaifu said, "Looking back upon the history of the first half of this century, I express our sincere contrition for Japan's past actions which had inflicted unbearable sufferings and sorrows upon a great many people of the Asian-Pacific region."

Japan will renew its pledge of never repeating those actions and play a political role appropriate to a war-renouncing nation, Kaifu said.

Kaifu is the first Japanese prime minister who has stressed Japan's political role in a speech addressed to the ASEAN.

This is also the first time that Kaifu has expressed Japan's regret to the whole of Asia over its actions before and during the Pacific war, although he has done so individually to Beijing, Seoul and Pyongyang.

In his speech, Kaifu offered to sponsor an international conference in Japan on Cambodian reconstruction and the rest of Indochina "at an appropriate time."

Kaifu met Cambodian resistance leaders in Bangkok on May 1.

The Japanese Government also held informal contacts with leader of the Vietnam-backed Phnom Penh regime Hun Sen during his recent private visit to Tokyo.

Meanwhile, the Japanese prime minister said he hopes to visit China at the earliest possible date this year, noting that China's reform and opening to the outside world is "extremely important" to regional stability and security.

Kaifu also pledged that Japan would work to promote dialogues between Seoul and Pyongyang, and improve its relations with the Soviet Union.

Referring to Japan's economic role, Kaifu said Tokyo resolved to contribute to economic growth in Southeast Asia, making the region a major priority for Japanese aid, investment and technology transfer, and increase Japanese imports from other Asian countries.

Kaifu said the relationship between Japan and the ASEAN has entered a new phase, and he is trying to seek a more mature partnership with the ASEAN.

As to Japan's recent dispatch of minesweepers to the Gulf, Kaifu said this "does not mean that Japan is assuming a military role, nor does it represent any change in Japan's basic defense policy."

The Japanese news agency KYODO, in a dispatch from Manila, quoted a confidential report of the Philippines' Foreign Affairs Department, which was prepared for President Corazon Aquino, as saying that the Japanese Government has increasingly felt the need to emerge from the "shell" imposed on it by the anti-military provisions of its own constitution.

Japan is contemplating effective measures to bolster its national defense aimed at protecting its extensive economic interests, the report said.

Former Singaporean Prime Minister Lee Kuan Yew said in an interview with the INTERNATIONAL HERALD TRIBUNE that moves to involve Japanese troops in international peacekeeping efforts worry many Asians who fear it may be like "giving liqueur chocolates to an alcoholic."

There was a feeling of "underlying unease" about Japan throughout Asia because of World War II, Lee said, adding that Asian states were wary of Tokyo's eventual involvement in armed peacekeeping.

Kaifu's Southeast Asia trip coincided with the time when the Japanese Foreign Ministry is planning to hammer out a new foreign policy, which calls for a more positive Japanese role in world affairs, including using Official Development Assistance as an instrument of foreign policy.

Asia Questions Japan's 'Armed Peacekeeping'

*OW0605183991 Beijing XINHUA in English
1816 GMT 6 May 91*

[Text] Singapore, May 6 (XINHUA)—Many Asian countries do not want Japan to become involved in any armed peacekeeping activities because otherwise it would be "giving liqueur chocolates to an alcoholic," Singapore Senior Minister Lee Kuan Yew said.

There was an "underlying unease" from Korea, China and the Southeast Asian countries about Japan's intention in taking such activities, he said in an interview with

the U.S. newspaper, the INTERNATIONAL HERALD TRIBUNE, which was published by local press today.

On Japan's recent dispatch of its minesweepers to the Gulf, Lee said many Asian nations and regions would prefer that the Japanese not get involved in any armed peacekeeping mission.

"As someone put it, you may be giving liqueur chocolates to an alcoholic," he said.

The senior minister also said he did not want Japan to join a U.N. peacekeeping force in Cambodia when the conflict there is resolved.

Japan Agrees To Promote Exports of U.S. Goods

*OW0405024291 Beijing XINHUA in English
0145 GMT 4 May 91*

[Text] Washington, May 3 (XINHUA)—The United States and Japan have reached an agreement to promote exports of U.S. goods and services, it was reported here today.

Under the agreement signed yesterday, Japan will initially provide 1 billion dollars in insurance guarantees for U.S. exports to such developing countries as Mexico, Indonesia and Thailand.

In addition, some of the Japanese financing will help U.S. exports to Japan, whose market the U.S. contends is still relatively closed to American products.

The U.S. Export-Import Bank, which is managing the program, will "cofinance" projects, mostly in developing-country projects, with the Japanese Ministry of International Trade and Industry's Export-Import Insurance Division.

The Japanese Export-Import Bank and the Japan Development Bank will also participate in the program.

The program, considered as a step taken by Japan to ease trade frictions with the United States, is expected to enable U.S. suppliers to capture as much as 600 million dollars in business on a number of transportation and energy projects that it has identified in Mexico, Indonesia and Thailand.

Southeast Asia & Pacific

Malaysian Senate Leader Heads Parliamentary Visit

Meets Wan Li

*OW0505131891 Beijing XINHUA in English
1200 GMT 5 May 91*

[Text] Beijing, May 5 (XINHUA)—Wan Li, chairman of the Chinese National People's Congress (NPC) Standing Committee, met with Chan Choong Tak, president of the senate of Malaysia, and his party here this evening in the Great Hall of the People.

Tak arrived in the Chinese capital earlier today as guest of the NPC Standing Committee.

Extending a warm welcome to Tak, Wan said China and Malaysia are neighbors and recent years have seen more and more exchanges of state leaders and growing bilateral trade.

He expressed belief that Tak's current visit to China would surely promote the understanding and friendship between the two parliaments and the two peoples.

Wan said that the Chinese Government and people are happy to see the economic development and improvement of the living conditions of the people of Malaysia.

He said that China has always attached importance to its friendly ties of cooperation with the ASEAN countries and believes these friendly ties play a significant role in enhancing peace, stability and development in Asia.

During the 30-minute meeting, Tak said his current China tour is to strengthen the existing friendly relations between the two nations.

After the meeting, Wan hosted a dinner for Tak and his party.

Peng Chong, vice-chairman of the NPC Standing Committee, was among those present at the meeting and dinner.

Meets Peng Chong

OW0605084091 Beijing XINHUA in English
0746 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Peng Chong, vice-chairman of the Chinese National People's Congress Standing Committee, and Chan Choong Tak, visiting president of the senate of Malaysia, held talks in the Great Hall of the People here today.

They briefed each other on the set-up of their respective parliaments and exchanged views on issues of common concern.

Meets Wu Xueqian

OW0705075791 Beijing XINHUA in English
0434 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Chinese Vice-Premier Wu Xueqian met here this morning with Chan Choong Tak, president of the senate of Malaysia, and his party.

During the meeting, Wu exchanged views with the guests on issues of common interest.

Present at the meeting was Fu Hao, member of the Standing Committee of the Chinese National People's Congress (NPC) and vice-chairman of the NPC Foreign Affairs Committee.

Chan Choong Tak arrived in Beijing last Sunday at the invitation of the Chinese NPC Standing Committee.

Talks With Yang Shangkun

OW0705102991 Beijing XINHUA in English
0809 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—China will adhere to its own road rather than copying other's practice, Chinese President Yang Shangkun said here today.

"Neither do we allow others to impose their systems on us," Yang said at a meeting with Chan Choong Tak, president of the Senate of Malaysia, and his party.

The president said that the matters of China should be decided by the Chinese people rather than by other countries. China will not change its chosen road because of certain pressure, he said.

Summing up China's current situation he said China's production is developing and the people's life is stable.

Briefing the visitors on China's improvement of democracy and legislation, Yang said that the systems of the people's congresses and political consultative conference were worked out according to Chinese condition, and they can fully represent the interest of the Chinese people.

Chan Choong Tak said that the people of various countries should decide on their own roads according to the actual situation in their countries.

He expressed appreciation for the Chinese people who run the country according to the country's condition and go their own way.

Yang and Chan agreed that as close neighbors China and Malaysia should further promote cooperation in economy and trade and other fields.

Earlier today, Chinese Vice-Premier Wu Xueqian met with Chan Choong Tak and his party.

Singapore Deputy Prime Minister Visits

Welcomed by Shenzhen Mayor

OW0205131391 Beijing XINHUA in English
1242 GMT 2 May 91

[Text] Shenzhen, May 2 (XINHUA)—A government delegation from Singapore led by Deputy Prime Minister Lee Hsien Loong arrived here from Hong Kong this afternoon for a goodwill visit to China.

Zheng Liangyu, the mayor of Shenzhen, hosted a banquet to welcome Lee and his party.

Zheng, proposing a toast on the occasion, said the Special Economic Zone of Shenzhen has conducted fruitful cooperation with Singapore, which has set up a dozen of enterprises here. Zheng said he expects Lee's visit to strengthen their economic cooperation.

Lee said the prosperity of Shenzhen benefits the development of his country, and he would like to see Shenzhen and Singapore to have common development in competition.

Meets Ye Xuanping

OW0405170791 Beijing XINHUA in English
1432 GMT 4 May 91

[Text] Guangzhou, May 4 (XINHUA)—Lee Hsien Loong, deputy prime minister of Singapore, was welcomed at a banquet hosted by the governor of Guangdong Province, Ye Xuanping, here this evening.

Lee, as head of a government delegation of Singapore, is here for a goodwill visit, which will take them to Beijing later on. The delegation arrived here from the Special Economic Zone of Shenzhen around noon-time today.

Ye, proposing a toast at the banquet, said Lee's visit is useful in enhancing the exchanges between China and Singapore.

Lee said the delegation came to learn about China with great interest, for Singapore follows closely with China's policies of economic development.

Talks With Tian Jiyun

OW0605093491 Beijing XINHUA in English
0812 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—Chinese and Singapore will further expand bilateral trade and economic co-operation and will work towards signing of a scientific and technological co-operation agreement within the year.

This information was released following the conclusion of comprehensive talks held here today between Tian Jiyun, Chinese vice-premier, and Lee Hsien Loong, Singapore deputy prime minister and minister of trade and industry.

During the talks, Tian briefed the Singapore visitors on China's current political and economic situation and plans for future economic development, as well as on the country's special economic and development zones.

Tian expressed his satisfaction with the achievements of co-operation between the two countries and said that broad prospects still exist for further Sino-Singapore co-operation.

Tian said the Chinese Government would actively promote economic, trade, and scientific and technological co-operation with Singapore.

Lee said that his country is willing to co-operate with China, especially in the development of the Pudong New Area in Shanghai Municipality, China's largest city.

Lee described trade relations as an extremely important part of bilateral co-operation. He said that Singapore will expand trade with China in order to raise bilateral trade to a new level.

The two leaders also exchanged views on strengthening co-operation in tourism.

State Councillor Song Jian, who is also minister in charge of the State Science and Technology Commission, also met with Lee here today and they discussed scientific and technological co-operation.

Meets Yang Shangkun

OW0705074491 Beijing XINHUA in English
0709 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Chinese President Yang Shangkun said here today that China relies mainly on its people to develop the economy, but also needs help of its friends especially that from its neighboring countries in Southeast Asia who are glad to see China's development.

Yang made the remarks at a meeting with Lee Hsien Loong, deputy prime minister and minister of trade and industry of Singapore, and his party.

The Chinese president said that China does have some difficulties and problems, but in general, the ten-year practice of reform and opening to the outside world has helped the development of China.

He pointed out that since Deng Xiaoping proposed the open and reform policy over ten years ago, China has made big progress in developing its economy.

Yang stressed that in order to develop the national economy and improve the people's livelihood, leaders at various levels in China must learn to know more about modern economic construction, while doing a good job of controlling the population growth.

Lee Hsien Loong said that since he stepped on China's soil May 2, he has noticed that China's economy is full of vitality and its people are clear about the targets of national economic development and full of confidence.

He said he is sure that China's economy will get better and better.

Lee is son of former Singaporean Prime Minister Lee Kuan Yew. Yang Shangkun recalled his meeting with Lee Kuan Yew when the latter visit China last year. He expressed thanks to Lee Kuan Yew for his constructive suggestions for China's economic development at that meeting.

Yang said that China will push up its economy and at the same time hopes to see Singapore's economy getting all the better.

Lee Hsien Loong extended greetings from his father Lee Kuan Yew and Singaporean Prime Minister Goh Chok Tong to President Yang.

Yang asked Lee to convey his regards to Singaporean leaders.

Sino-Australian Economic Talks Open in Shanghai

OW0605164891 Beijing XINHUA in English
1527 GMT 6 May 91

[Text] Shanghai, May 6 (XINHUA)—The international conference on Sino-Australian economic relations opened today in Shanghai, the largest industrial and financial center in China.

Addressing the meeting, Edward Whitlam, chairman of the Australia-China Council and former premier of Australia, reviewed the development of economic relations between Australia and China in the past 20 years.

He said that since the two countries decided to grant each other the most favored nations status in two-way trade in 1973, economic relations and trade between the two countries have recorded remarkable progress.

Statistics show that the trade volume between China and Australia was only 86.55 million U.S. dollars in 1972, but jumped to 1.89 billion U.S. dollars in 1990.

Moreover, by the end of 1990, China had opened 53 non-commercial, cooperative and solely Chinese funded enterprises in Australia while Australia invested in 107 projects in China.

At today's meeting, several other Chinese and Australian officials and economists also delivered speeches.

The three-day seminar is jointly sponsored by the Australian Studies Center, the Institute of World Economy of the Shanghai Academy of Social Sciences, and the Australia-China Council.

Australian Company Signs Memorandum on Satellites

OW0705081791 Beijing XINHUA in English
0506 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—A memorandum on telecommunication cooperation was signed here today between the Chinese Academy of Space Technology (CAST) and OTCI Company of Australia.

The document is expected to lead to the establishment of a joint venture on satellite business between cast, the only institution in China engaged in satellite designing and manufacturing, and OTCI, whose marketing areas are mainly in Asia and the Pacific.

Up to now, cast has launched dozens of telecommunication, meteorology, land resources inspection and scientific research satellites.

Informed sources said that the international markets for China's space technology should be further tapped and the signing of the memorandum is regarded as a new step in this aspect.

The business of OTCI, which is operating under the government of Australia, covers telephone, picture and written language transmission, and satellite telecommunication. OTCI is one of the biggest companies on telecommunication projects in the Asian-Pacific region.

Reports Continue on Crisis in Cambodia

Phnom Penh Troops Attack

OW0305153891 Beijing XINHUA in English
1502 GMT 3 May 91

[Text] Bangkok, May 3 (XINHUA)—The Phnom Penh troops on Friday evening launched attacks on a resistance camp controlled by the Khmer People's National Liberation Front (KPNLF), just one kilometer opposite Ta Phraya District of Thailand's Prachin Buri Province.

The Phnom Penh troops used 120 mm guns to pound at the camp for ten minutes, wounding two resistance fighters, according to a report reaching here today from the Thai-Cambodian border town of Aranyaprathet.

The report quoted a ranking officer of the resistance force as saying that the resistance side hoped the United Nations to dispatch officials to supervise the ceasefire so as to achieve real peace in Cambodia.

Earlier reports said that the Phnom Penh troops on May 1 launched attacks on positions of the National Army of an Independent Kampuchea under Prince Norodom Ranariddh in Varin and Srei Snam Districts of Siem Reap Province in northwestern Cambodia.

A ceasefire was agreed upon by the three factions of the Cambodian resistance and the Phnom Penh regime in conformity with an appeal made on April 22 by France and Indonesia and the U.N. secretary general.

Under the agreement, a temporary ceasefire should be observed in Cambodia from May 1 till at least the next Jakarta meeting on Cambodia due to be held late this month.

Cease-Fire Violation Condemned

OW0605092491 Beijing XINHUA in English
0711 GMT 6 May 91

[Text] Bangkok, May 6 (XINHUA)—Cambodian resistance has condemned Hanoi authorities and the Phnom Penh regime for mobilizing their troops to attack the Cambodian National Resistance (CNR) forces following the ceasefire from May 1.

In a statement received here today, the high command of the National Army of Independent Kampuchea (ANKI) said on the morning of May 3, the Vietnamese and Phnom Penh authorities reinforced their troops and

pursued military attacks against the CNR liberated zones in the north and the south of Highway 10, Battambang Front, western Cambodia.

The enemy troops were from Vietnamese divisions 330, 4 and 8 and the Phnom Penh Army divisions of 4, 196, 6 and a division from Phnom Penh, with Vietnamese soldiers as their core, the statement said.

On May 1, 2,100 Vietnamese and Phnom Penh troops, with the support of tanks and heavy artillery, attacked the liberated zones of the CNR at Badak and Aur Baun Ta, to the north of the Highway 10, the statement said.

The next day, it said, these troops conducted military operations against the CNR liberated zones in a three-pronged attack in Chi Meang and Phnom Veng, north of Highway 10.

These facts clearly showed that the Hanoi and Phnom Penh authorities have been flagrantly violating the ceasefire they have solemnly accepted before the world community, it said.

In conformity of the joint appeal made on April 22 by France and Indonesia and the U.N. secretary general, the three factions of the NCR and the Phnom Penh regime agreed to observe a temporary ceasefire in Cambodia from midnight of May 1 till the next Jakarta meeting on Cambodia meets in Indonesia.

But shortly after the midnight of May 1, Vietnamese and Phnom Penh troops, covered by tanks, attacked resistance positions in Varin District, Siemreap Province, northwestern Cambodia.

Statement Issued

OW0305124791 Beijing XINHUA in English
1210 GMT 3 May 91

[Text] Bangkok, May 3 (XINHUA)—The Foreign Ministry of the National Government of Cambodia (NGC) issued a statement here today, denouncing ceasefire violations by Hanoi and the Phnom Penh regime in Cambodia.

"The Hanoi authorities and the Phnom Penh party have themselves violated the ceasefire. Yet, on May 2, 1991, the Phnom Penh party, upon instructions from Hanoi, issued a statement accusing the Cambodian National Resistance (CNR) of violating the truce," the statement said.

In accordance with their plan mapped out at their meetings on April 19 and 18, "the Hanoi authorities and the Phnom Penh regime have instructed their army units in Cambodia to continue military activities throughout the country," it said.

"They have especially ordered their units in military zone 5 (Battambang) and military zone 4 (Siemreap) to mobilize their forces to pursue their attacks against Pailin, Thmar Pouk, Samlot and Banteay Ampil," the statement said.

"The Politbureau and General Staff of the Phnom Penh party have even sent joint delegations of high ranking Vietnamese and Phnom Penh officials to explain the above-cited decisions to all military zones especially military zone 5," it said.

In its May 2 statement, the Phnom Penh party accused the CNR of "lacking of good will in the search for a political settlement and sabotaging the forthcoming meeting in Jakarta."

"Such an accusation further illustrated the dark schemes of the Hanoi and the Phnom Penh party to continue their military offensive against the CNR while trying to come up with their diplomatic offensive against the CNR as mapped out during their April 18-19 meetings," the statement said.

It said the world community has been aware that Hanoi and the Phnom Penh regime are the ones who oppose the framework document of the five permanent members of the U.N. Security Council and the draft agreements of the PICC (Paris International Conference on Cambodia). "They are the ones who violated the truce so as to create pretexts to sabotage the perm-five framework document [as received] and draft agreements," it added.

The CNR for its part has no reason whatsoever to violate the truce because it eagerly wants to put an end as soon as possible to the Vietnamese war of occupation through a comprehensive political settlement based on these documents, the statement said.

The CNR keenly needs the Jakarta meeting to pave the way for the earliest reconvening of the PICC coordinating committee meeting to adopt the peace plan for Cambodia, it said.

The CNR and NGC called once again for the urgent meeting in Jakarta between the two PICC co-chairmen and members of the Cambodian Supreme National Council in conformity with the Paris Joint Communiqué of December 23, 1990, it said.

Near East & South Asia

Sudanese Leader Receives Yang Fuchang

OW0505232891 Beijing XINHUA in English
2151 GMT 5 May 91

[Text] Khartoum, May 5 (XINHUA)—Sudanese Leader 'Umar Hasan Ahmad al-Bashir today met with visiting Chinese Deputy Foreign Minister Yang Fuchang on regional issues and bilateral ties.

Chinese officials accompanying Yang said he conveyed to the Sudanese leader greetings from Chinese President Yang Shangkun.

Al-Bashir said that relations between Sudan and China are "excellent and very special" and have been developing steadily since they were established in 1959.

The Sudanese leader thanked China for its assistance to Sudan and called for more exchanges and cooperation between the two countries so as to further promote mutual understanding and friendship.

Yang, who arrived Saturday night, held talks earlier today with Sudanese Foreign Minister 'Ali Ahmad Sahlul on the situation in the Middle East and the African Continent, as well as a projected new world order.

The two sides insisted that the Middle East issue should be solved through an international peace conference with the participation of all five permanent members of the U.N. Security Council and the parties involved in the issue.

Sahlul said his government is making intensified efforts to help eliminate inter-Arab differences and boost Arab solidarity.

Yang, on his part, also stressed the importance of boosting Arab unity and strengthening ties between Arab states and the Palestine Liberation Organization.

As for the new world order, Yang said it should be based on equality among all states and that international disputes, however complicated, should be settled by reasonable and peaceful means.

"An international political order based on the principles of peaceful coexistence accords with the interests and wishes of all nations in the world," said Yang.

Yang's tour will also take him to Libya, Morocco and Mauritania.

Beijing Meeting Commemorates Indian Friendship

OW0605174891 Beijing XINHUA in English
1506 GMT 6 May 91

[Text] Beijing, May 6 (XINHUA)—A commemoration meeting was held here today to mark the 130th birthday of R. Tagore (1861-1941), a great writer and poet of India.

More than 80 professors, experts and Indian diplomatic envoys to China attended the meeting.

Addressing the meeting, Han Xu, president of the Chinese People's Association for Friendship With Foreign Countries, said that Tagore's works greatly enriched the literature of India and the world as a whole.

Tagore always cherished a friendly feeling towards China and its people, said Han.

He said that in order to promote friendship and understanding between the peoples of the two countries, Tagore established a Chinese college in India's Visva-Bharati University to encourage people of India and other countries to study Chinese culture.

Tagore's great achievement has influenced generation after generation of writers and readers, Han said, adding that his poems in particular still inspire Chinese poets.

Indian Ambassador to China C.V. Ranganathan [name as received] also delivered a speech at the meeting.

Civil Affairs Minister Visits Islamabad

Meets Pakistani Premier

OW0405181791 Beijing XINHUA in English
1733 GMT 4 May 91

[Text] Islamabad, May 4 (XINHUA)—Pakistan Prime Minister Nawaz Sharif today said his government had adopted a policy to attain self-reliance and reduce the country's dependence on foreign assistance.

The prime minister made the remarks here when meeting with a five-member Chinese delegation led by Minister for Civil Affairs Cui Naifu.

The prime minister said Pakistan was moving towards a market economy system and policies of deregulation, decentralization, privatization, reduction of government controls and encouragement to the private sector. He believed that this would help combat the unemployment problem, increase agricultural and industrial productions and boost exports.

Welcoming the Chinese minister, the prime minister said that the time-tested friendship between the two countries had indeed come up to the expectations of their people.

Cui and his party arrived here on Friday for a visit.

Concludes Visit

OW0505073091 Beijing XINHUA in English
0629 GMT 5 May 91

[Text] Islamabad, May 5 (XINHUA)—A five-member Chinese delegation headed by Minister for Civil Affairs Cui Naifu left here for home this morning after its one-week-long goodwill visit to Pakistan.

During its stay in the country, the delegation, which arrived in Karachi, capital of Sindh Province, on April 29, was received separately by President Ghulam Ishaq Khan and Prime Minister Nawaz Sharif in Islamabad on Saturday.

Discussing with Cui Naifu ways and means of further enhancing cooperation between Pakistan and China in the field of social welfare, the president said Pakistan is making efforts to promote social welfare and the cause of the poor and the needy. Good work is also being done in the social welfare sector by the country's about 8,500 non-governmental organizations on a voluntary basis, he added.

Welcoming the Chinese minister, the prime minister said Pakistan has adopted a policy of attaining self-reliance and reducing dependence on foreign assistance.

The Chinese delegation visited Karachi and Peshawar, capital of Northwest Frontier Province, besides Islamabad.

Pakistan-India Confrontation in Kashmir Reported

Pakistan Denies Kidnapping

*OW0405184491 Beijing XINHUA in English
1748 GMT 4 May 91*

[Text] Islamabad, May 4 (XINHUA)—The Pakistan Foreign Office spokesman has expressed regret and indignation at the Indian Government's allegation that Pakistan was motivating and engineering kidnappings in Indian-occupied Kashmir including the two Swedish engineers.

According to an official source here tonight, the Pakistan spokesman reiterated that Pakistan was against all acts of terrorism including kidnapping, saying that such an Indian allegation was baseless and unwarranted.

Giving no date of the Indian Government spokesman's allegation, the source quoted the Pakistan spokesman as saying that it was a matter of concern and anguish that the Indian security forces were using excessive force and committing atrocities under the garb of search for the Swedish engineers.

He said the Pakistan Government has repeatedly urged the international community to impress upon the Indian Government the urgent need to allow the Amnesty International and other humanitarian international agencies to visit India-occupied Kashmir and investigate the massive human rights violations being committed by the Indian security forces suppressing the legitimate demand of the Kashmiri people for their right to self-determination.

Exchange of Fire on Border

*OW0505184291 Beijing XINHUA in English
1735 GMT 5 May 91*

[Text] New Delhi, May 5 (XINHUA)—Indian and Pakistani troops along the actual control line in Kashmir have exchanged fire intermittently since May 2, according to an official Indian spokesman here today.

The spokesman was quoted by the PRESS TRUST of India as saying that five Indian soldiers were wounded near the Keran sector of Kupwara District in the north of the India-controlled Kashmir.

He accused Pakistani troops of unprovokedly shelling Indian positions in an alleged attempt to provide covering fire to help Kashmiri militants sneak across the actual control line.

The spokesman's remarks were made despite Pakistani Prime Minister Nawaz Sharif's recent denial of his country's involvement in the self-determination movement in the Indian-controlled Kashmir.

Tunisian Foreign Minister Lauds Relations

*OW0205200691 Beijing XINHUA in English
1847 GMT 2 May 91*

[Text] Tunis, May 2 (XINHUA)—Cooperation between Tunisia and China is a model of South-South cooperation, Tunisian Foreign Minister Habib Ben Yahya said in an interview published today by the Tunisian newspaper "AL-HURRIYAH".

Ben Yeaya was a member of the delegation that accompanied Tunisian President Zine El Abidine Ben Ali who visited China on April 25-29. He also participated in the Sino-Tunisian talks on future cooperation between the two countries.

China, which is a permanent member of the U.N. Security Council and belongs to the South, has identical views with Tunisia on issues of the South and other matters of mutual interest, the Tunisian foreign minister said.

"What China has done in carrying out the policy of South-South cooperation demonstrates the seriousness of its endeavor in this connection," he said. This cooperation is likely to promote cooperation between the South and the North, he added.

The Tunisian foreign minister added that China has been active in supporting just causes such as the Palestinian cause and has shown interest in the endeavors made by the Arab Maghreb states to set up a regional grouping.

Asked about the Tunisian president's recent visit to China, Ben Yahya said the visit has produced important political and economic results.

Ben Yahya said that during President Ben Ali's visit to China the two countries decided to exchange experience in the economic field.

Friendship Delegation Attends Cairo Talks

*NC0405164391 Cairo MENA in English 1424 GMT
4 May 91*

[Text] Cairo, May 4 (MENA)—A session of talks was held here today between the Egyptian committee for Afro-Asian solidarity under Ahmad Hamrush and the delegation of the society of the Chinese friendship with foreign countries, currently visiting here. The talks dealt with means of strengthening relations between the Egyptian committee and the Chinese society.

The two sides agreed on exchanging information, cultural, and technical delegation. [sentence as received]

The Chinese delegation affirmed the necessity of solving the Palestinian issue within an international framework with the participation of the five permanent member states of the UN Security Council and all the parties concerned with the problem.

Iranian Majles Speaker Receives Outgoing Envoy

OW0505154791 Beijing XINHUA in English
1254 GMT 5 May 91

[Text] Tehran, May 5 (XINHUA)—Iranian Parliament [Majles] Speaker Mehdi Mahdavi-Karrubi today expressed his satisfaction at the relations between his country and China when meeting with the out-going Chinese Ambassador Wang Benzhuo here.

He said that his country has traditional friendly ties and shares many common points in international affairs with China. The frequent mutual visits by the two countries' leaders last year, he added, indicating that bilateral relations has developed in both depth and width.

Mahdavi-Karrubi said he is looking forward to the planned visit of a friendship group of the Chinese National People's Congress, adding that he will visit China at an appropriate time.

Sub-Saharan Africa

Gambian President Interviewed Prior to Visit

OW0605113491 Beijing XINHUA Domestic Service
in Chinese 0229 GMT 6 May 91

[Text] Banjul, 6 May (XINHUA) —Gambian President Dawda Jawara pointed out: "The new international order should first and foremost consider the issue of international peace and security, and then the issue of new international economic order."

He called on the UN to take collective countermeasures to resolve current major world problems, particularly the problems in the Middle East and Cambodia, as well as the problems of debt, raw material prices, and development confronted by Third World nations.

President Jawara, who will visit China shortly, pointed out at a recent interview with a XINHUA reporter that in the current world economic order, "commodity prices are extremely unfavorable to developing countries," and "prices of primary products keep falling; however, prices of export commodities of developed countries are not doing so. Therefore, trade has gone from bad to worse." He urged the international community to "make efforts to solve the problem of declining primary product prices."

Regarding the debt problem faced by developing nations, President Jawara said: The present world economic climate is unfavorable to developing countries, with primary product prices on the decline, coupled with excessively high interest rate, heavy debts, and funds

flowing toward developed countries. The economic situation in Third World countries is bad indeed. "Under such circumstances, it is impossible to repay the debts."

Regarding efforts being made by African nations to explore avenues to develop and overcome the difficulties in developing national economies, he pointed out: Every country is trying its best by its own means to realize its plan for economic recovery. Some are successful, and some are not so successful; however, we African countries are continuously trying to improve our own economies.

He said: Those countries that are implementing their economic readjustment plans "will continue to carry out these plans in the future." At the same time, "more and more countries will implement these types of economic readjustment plans, because at present I still cannot see any other plans that may replace the economic readjustment plans."

President Jawara described The Gambia's recent efforts to reinvigorate the national economy. He said: Since 1985, The Gambia has been implementing its economic recovery plans to resolve economic problems. He was happy to declare that after several years of arduous efforts, he is now in a position to say that "we have been very successful."

Touching on Sino-Gambian relations, The Gambian president emphatically pointed out: The relations between The Gambia and China are very sincere. Our cooperation in the past 16 years has been fruitful. He said: "The range of our cooperation with China is very wide, and it involves many areas."

He said: "I am sure this visit will break new ground in the continuing cooperation between the two countries."

Welcomed by Yang Shangkun

OW0705111091 Beijing XINHUA in English
1019 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Chinese President Yang Shangkun presided over an official ceremony here this afternoon to welcome Dawda Kairaba Jawara, president of the Republic of the Gambia.

Jawara arrived here by plane earlier today for an eight-day state visit to China upon Yang's invitation.

Among Jawara's entourage were Madame Chilel Jawara, wife of the president, as well as Gambian Minister of External Affairs Omar Amadou Sey and Minister of Finance and Economic Affairs Saikou S. Sabally.

Zhu Xun, chairman of the Chinese Government Reception Committee and minister of geology and mineral resources, greeted Jawara and his entourage at the airport upon their arrival.

New World Order Discussed

*OW0705135291 Beijing XINHUA in English
1303 GMT 7 May 91*

[Text] Beijing, May 7 (XINHUA)—Chinese President Yang Shangkun and Gambian President Dawda Kairaba Jawara talked about the establishment of a new international order during their meeting here today.

According to sources from the Chinese Foreign Ministry, Yang stressed that the new order should be established on the basis of the five principles of peaceful coexistence.

Jawara said the new international order should include the political and economic aspects, adding that the settlement of debt problems is the most pressing issue for developing countries in the establishment of a new international economic order.

Yang extended a warm welcome to Jawara, saying, "You are an old friend of the Chinese people. This is your fourth visit to China."

Yang spoke highly of the unremitting efforts and remarkable achievements the Gambian people, under the leadership of Jawara, have made in developing the national economy and improving the people's living standards.

On the international situation, Yang said that although the Gulf war has stopped, some of the region's problems have not been solved, adding that more complicated contradictions have surfaced.

He said that the Gulf war itself shows that the world is far from being peaceful.

Yang said that the motive behind China's efforts to strengthen its ties with Gambia and other friendly countries is to promote world peace. "China always hopes for peace and stability in the world," he added.

Yang told Jawara that in the past two years China has stressed the importance of stability and a peaceful international environment.

Jawara thanked Yang for his warm welcome.

Jawara said that as an old friend, he has visited China four times, adding that during each visit he has gained a new impression of China. He said that he saw many new buildings on the way from the airport to the state guesthouse in Beijing, an indication that China has made great progress in its economy.

He said Gambia attaches great importance to its ties with China, which plays an important role in the international community. Gambia and China have similar views on major international issues, he added.

On African issues, he stressed the need to discuss how to end apartheid in South Africa.

In the evening, Yang hosted a state banquet in honor of Jawara and his party.

ACFTU President Meets Trade Union Visitors**Cameroon Delegation Arrives**

*OW0405165291 Beijing XINHUA in English
1352 GMT 4 May 91*

[Text] Beijing, May 4 (XINHUA)—Ni Zhifu, president of the All-China Federation of Trade Unions (ACFTU), met here today with a delegation from the Organization of Cameroon Workers' Unions.

The delegation, led by Fouda Sima Dominique, president of the organization's Executive Bureau, arrived here today at the invitation of the ACFTU.

Besides Beijing, the delegation will also visit Shanghai, Wuxi and Nanjing.

Meets Sierra Leone Guests

*OW0605125991 Beijing XINHUA in English
1134 GMT 6 May 91*

[Text] Beijing, May 6 (XINHUA)—Ni Zhifu, president of the All-China Federation of Trade Unions (ACFTU), met here today with a delegation from the Sierra Leone Labour Congress.

The delegation, led by Ibrahim Langley, president of the Sierra Leone Labour Congress, arrived here earlier today at the invitation of the ACFTU.

Besides Beijing, the delegation will also visit Tianjin, Shenyang and Dalian.

South Africa's Mandela Eyes Chinese Revolution

*OW0605175191 Beijing XINHUA Domestic Service
in Chinese 0207 GMT 4 May 91*

[By reporter Teng Wenqi (3326 2429 0796)]

[Text] Johannesburg, 3 May (XINHUA)—In an interview with a XINHUA AGENCY reporter at the headquarters of the African National Congress [ANC] in Johannesburg, South Africa, on the afternoon of 2 May, ANC Vice Chairman Nelson Mandela said that he admired the Chinese revolution very much.

He said: "As a matter of fact, we regard the Chinese revolution's principles as well as the experiences of the CPC and the Chinese People's Liberation Army as guidelines of our struggle."

Mandela said that he hoped to visit China soon and have the opportunity to visit certain places of revolutionary historic significance.

When commenting on the current situation in South Africa, Mandela said: There have been some positive changes in the South African Government's policies for more than a year. The government has accepted the principle of one person, one vote and considered eliminating certain obstacles to negotiations. It has lifted the ban against the ANC and other political organizations,

revoked the National Emergency Law, released some political prisoners, and granted amnesty to some exiles to return home. In addition, the government announced its readiness to abolish the Regulations on Land, the Group Residence Law, and the Population Registration Law falling within the framework of the apartheid policies. Moreover, it is considering abolishing certain legislative provisions on security issues.

He stressed, however: It is still too early to say that the process of political transformation in South Africa is irreversible. At present, South Africa is still under the control of a government that is implementing the apartheid system. The people are not yet able to defend their rights in parliament. The right-wing forces said that once they are in power, they will end the talks between the government and the ANC. Mandela stressed: "Before the apartheid system is abolished, we cannot say that President de Klerk has brought about fundamental changes."

Mandela maintained that obstacles to negotiations still exist. The government has not yet released all political prisoners or allowed all exiles from abroad to return home.

When commenting on the unity of the anti-apartheid forces, he said: The ANC's united front work has made some progress.

Finally, Mandela expressed the wish that the Chinese people will succeed in all aspects of their national construction.

West Europe

French Foreign Minister on Human Rights in PRC

PM0305141891 Paris LE MONDE in French
3 May 91 p 6

[Jacques Amalric report: "Roland Dumas Demands Amnesty for Victims of 1989 Repression"]

[Text] Hong Kong—French-Chinese relations, which were frozen in 1989 after the repression of the Beijing Spring, have not been "normalized" after the brief visit which Mr. Dumas has just made to China. This is the view of the French foreign minister who said in a news conference given in the Chinese capital on Wednesday 1 May that "complete normalization" depended on a "widespread pardon,"—a "general pardon in the form of an amnesty" granted by the authorities to the victims of the 1989 repression (the number of which is not known because many were imprisoned as a result of administrative rather than legal decisions. French-Chinese relations will therefore only become "normal," Mr. Dumas said, "when that has been carried out." The previous day, he had expressed regret at the fact that for the Chinese authorities the notion of normalization only applies to foreign relations and that in domestic politics things are still at the stage of "restoring order and control."

Mr. Dumas' very clear clarification was given the day after his Tuesday meeting with Prime Minister Li Peng, and CPC General Secretary Jiang Zemin. The French minister was particularly irritated by an introductory remark by Li Peng, made in the presence of the "pool" of journalists covering the start of the talks. According to the Chinese prime minister—95 percent of whose speech was the usual jargon according to the French delegation—the mere fact of Mr. Dumas' visit marks "the normalization of Franco-Chinese relations."

To make the point even more clearly, the French minister revived the plan to send a group of independent jurists to Beijing to investigate the prisoners' situation with the Chinese administration and magistrates. The Chinese authorities gave their agreement in principle to this mission which, in Mr. Dumas' view, should be sent within the next three months. For the time being, there is no indication that the French jurists will be able to meet with prisoners or their families. The concession made to Mr. Dumas is not entirely new: A few weeks ago, the same gesture was made to the Australian foreign minister when he visited Beijing.

A general amnesty granted to all the victims of the repression would be more significant. However, this idea was rejected last month by Mr. Li Peng who said that there could be no collective amnesty in China and that individual amnesties depended on the National People's Congress which is currently in recess. That is probably the reason for Mr. Dumas' cautious remark; "I was heeded if not understood." That is one way of saying that the subject of human rights is no longer taboo.

The Chinese authorities, it is true, are forced to make some significant gestures if they do not want to lose the advantage of the most favored nation clause which enables them to export to the United States. Indeed, it is on 3 June that the U.S. Congress is due to give its verdict on the renewal of that clause. Mr. Bush, who is in favor of it, will find it difficult to win over U.S. Congressmen who are showing growing opposition to Beijing. This prospect also explains the recent release of Hang Dongfang, one of the leaders of the Beijing Spring—a worker who founded the first independent Chinese trade union in 1949.

The second delicate subject raised by Mr. Dumas was that of the nuclear reactor which China sold to Algeria. On the second day of the French minister's visit, the Chinese foreign minister admitted the existence of that deal in a communique. It was concluded back in February 1983. According to the communique, the reactor supplied is intended for research and cannot have a military use; its maximum power is apparently 15 megawatts. Because China was not a member of the International Atomic Energy Agency [IAEA] in 1983, the Vienna organization was not informed about the contract. It apparently has been informed since then, Mr. Dumas was told, because Beijing joined the IAEA in 1984. However, it was only on Tuesday 30 April that the Algerian Government, probably at Beijing's request,

admitted the construction of the reactor, spoke of cooperation with the IAEA and respect for the inspection rules laid down by the Vienna agency. China, Algeria, and France have not signed the nuclear nonproliferation treaty, although Paris claims to respect all its clauses.

Mr. Dumas said he is satisfied with the explanations obtained, pending new details, while admitting that the secrecy maintained by the Chinese and Algerians over the past eight years is disturbing to say the least. This secrecy raises at least three questions: First, whether China has signed similar agreements with other countries. Beijing only admits nuclear cooperation with one country at present—Pakistan; on the other hand, it denies any agreement with North Korea. Second, the question of the Chinese civilian government's control over its army; according to some observers, we are witnessing an initiative by the Chinese military whose activities are increasingly diversified, notably in the sphere of arms sales. Finally, the question of the efficacy of the French intelligence services.

In the sphere of bilateral economic relations, no noticeable progress was made although Mr. Dumas was accompanied by numerous heads of French enterprises. The second Franco-Chinese financial agreement relating to more than 2 billion francs is still pending. Mr. Dumas' interlocutors confirmed to him that the television French language courses, suspended immediately after the Tiananmen Square events, were to be resumed. They are also interested in cooperation with the Ecole Nationale d'Administration [college for senior civil servants] to create a similar establishment in Beijing. Finally, Mr. Li Peng issued an invitation to Mr. Rocard to visit China, but he did not receive an invitation to visit Paris.

Zhu Rongji Meets Swiss Foreign Secretary

*OW0605131191 Beijing XINHUA in English
1207 GMT 6 May 91*

[Text] Beijing, May 6 (XINHUA)—Chinese Vice-Premier Zhu Rongji met here today with visiting Swiss State Secretary of Foreign Affairs Klaus Jacobi.

They had a friendly conversation.

Italian Foreign Affairs Delegation Visits

Meets Zhu Rongji

*OW0305124091 Beijing XINHUA in English
1213 GMT 3 May 91*

[Text] Beijing, May 3 (XINHUA)—Vice-Premier Zhu Rongji met a delegation from Italian Senate's Foreign Affairs Committee headed by its chairman Flaminio Piccoli, here today.

At the request of the guests, Zhu briefed them on China's political and economic reforms.

Both sides expressed the hope for closer relations of friendship between China and Italy and between China and Europe.

Meets Wan Li

*OW0405115691 Beijing XINHUA in English
0822 GMT 4 May 91*

[Text] Beijing, May 4 (XINHUA)—China and Italy should maintain and further promote the existing fine co-operative relationship between their two countries and parliaments.

This remark was made by Wan Li, chairman of the Chinese National People's Congress (NPC) Standing Committee, at a meeting with a visiting delegation from the Foreign Affairs Committee of the Italian Chamber of Deputies here this morning.

The delegation is led by Flaminio Piccoli, chairman of the committee.

Wan said that there is no conflict of interest between China and Italy, and he hoped that the two countries would seek common development on the basis of equality and mutual benefit.

He said that since the two countries established diplomatic relations the bilateral relationship has developed smoothly, adding that the two sides should overcome all difficulties with joint efforts, so as to further improve their relationship.

This will not only be conducive to both Italy and China, he said, but also to world peace and stability.

Wan told the guests that China has all along stuck to its independent foreign policy of peace, opposing hegemonism and power politics in international affairs.

He said that China is carrying out the reform and open policy, because it wants to get rid of the poverty which is a historical hangover.

Therefore, he said, China needs peace in the world and stability and unity at home.

Piccoli said that Italy has always attached great importance to Italian-Chinese relations, adding that his delegation arrived here with a desire to promote peace, co-operation and the bilateral relationship.

He expressed his hope for a further resumption and development of the relationship between the two countries and the two parliaments, including co-operation in the fields of politics, economy and trade, culture and tourism.

During the meeting, Wan also exchanged views with the visitors on other issues of common interest.

Meets Qian Qichen

OW0405025991 Beijing XINHUA in English
0235 GMT 4 May 91

[Text] Beijing, May 4 (XINHUA)—Qian Qichen, Chinese state councillor and foreign minister, met here today with an Italian delegation from the Foreign Affairs Committee of the Chamber of Deputies headed by its chairman Flaminio Piccoli.

Both sides had friendly discussions on bilateral relations and international issues.

East Europe

Yugoslav Presidency Authorizes Army Action

OW0505064091 Beijing XINHUA in English
0616 GMT 5 May 91

[Text] Belgrade, May 4 (XINHUA)—The Yugoslav Presidency today authorized the federal army to act to stop the escalating ethnic conflicts that have pushed the country onto the brink of a civil war.

"The Presidency demands an immediate and unconditional halt to all activities throughout the country which could provoke new unrest and confrontations," it said.

"In that respect, the Yugoslav Army will prevent such activities should they occur, and prevent the outbreak of new inter-ethnic confrontations."

The Presidency convened an emergency session Saturday night following the worst violence between Serbs and Croats that broke out in the mainly Serb-inhabited village of Borovo Selo in Croatia on Thursday.

During the incident, 12 Croatian policemen and three civilians died, and 14 policemen and six civilians were wounded, local government officials said.

Another policeman was killed in the Village of Palaca, in Croatia's Serbian-dominated Krajina region.

A statement issued Saturday by the Executive Committee of the Federal Government praised the federal army's positive involvement in preventing further ethnic violence and stressed that the present internal and external borders would remain unchanged before any political agreements were reached.

It also called on concerned bodies to bring those responsible for the killings to justice.

The presidency said it would meet again on May 10 to discuss political and security issues in Croatia.

Yugoslavia Marks Anniversary of Tito's Death

OW0505062091 Beijing XINHUA in English
0558 GMT 5 May 91

[Text] Belgrade, May 4 (XINHUA)—The Yugoslav Government, military leaders and representatives from

various groups held commemorative ceremonies today to mark the 11th anniversary of former President Josip Broz Tito's death.

A delegation of the armed forces including Chief of the General Staff Blagoje Adzic and Deputy Defence Minister Stane Brovet, and a federal delegation composed of members of the Presidency, vice-presidents of the Assembly and deputy prime ministers laid wreaths at Tito's tomb. They also wrote in praise, in a visitors' book, of the late leader's contribution to the country's struggle for freedom and independence and in maintaining of world peace.

Also present were Tito's widow and representatives from various parts of the community.

At 03:05 hours in the afternoon, the time when Tito died 11 years ago, sirens sounded in Sarajevo City and many citizens stood in silent tribute on streets in his memory.

In the evening, Belgrade television showed a film about Tito's funeral, and invited veteran fighters and prominent compatriots to talk on the late leader.

Latin America & Caribbean

Cuban Official on 'Special Programs' for Economy

OW0405183991 Beijing XINHUA in English
1756 GMT 4 May 91

[Text] Havana, May 4 (XINHUA)—Cuban State Council Vice-President Jose Ramon Fernandez said Friday that his country has carried out special programs to cope with the economic difficulties during what he called the "special peace time period."

Fernandez was speaking to the delegation of the Chinese official news agency XINHUA headed by its Vice-President Pang Bingan.

Fernandez stressed special programs are aimed to solve shortages of cereal and other food products and help boost local production of chicken, pork and beef, as well as fishing and pisciculture.

Noting that Cuba will step up its biotechnology programs, he said Cuba has made significant progress in its research and production of biotechnological and pharmaceutical products.

The export of these products will allow Cuba to earn foreign currency, he added.

Tourism will also be given priority, Fernandez said, adding the island had already started to build hotel infrastructure with foreign investments.

Ngapoi Ngawang Jigme Meets Bolivian Official

*OW0705084791 Beijing XINHUA in English
0551 GMT 7 May 91*

[Text] Beijing, May 7 (XINHUA)—Ngapoi Ngawang Jigme, vice-chairman of the Chinese National People's

Congress Standing Committee, met here today with Gonzalo Valda, president of the Bolivian Senate.

They exchanged views on issues of common interest.

Valda arrived here Sunday after attending the 85th congress of the Inter-Parliamentary Union held in Pyongyang.

Political & Social

Deng Criticizes Yao Yilin Economic Policies

HK0705130691 Hong Kong CHING PAO in Chinese
No 166, 10 May 91 pp 34-35

[Article by Liu Yen-ying (0491 3601 5391): "Deng Criticizes Yao Yilin in His Presence To Break Domination of State Council"]

[Text] At the Fourth Sessions of the Seventh National People's Congress (NPC) and the Seventh Chinese People's Political Consultative Conference (CPPCC) that concluded early last April, State Planning Commission Minister Zou Jiahua and Shanghai Mayor Zhu Rongji were promoted to vice premiers; Minister of Foreign Affairs Qian Qichen was promoted to state councillor; and Guangdong Provincial Governor Ye Xuanping to CPPCC vice chairman. Although such practice characterized by "promotion only without involving those already in office" has failed to satisfy people's aspirations, people in Beijing and Shanghai believe it to be good news. Yang Lujun [2799 7627 6511], the young economist from Shanghai who had been held in custody for a year for being involved in the 1989 pro-democracy movement and who was released only last June, commented on this. He said that the recent reshuffle, especially with Zou Jiahua and Zhu Rongji entering the State Council's leading body, will have great effects and far-reaching significance. This action has shown that Deng Xiaoping will renew his efforts to push forward China's reform and opening so that the international community may see China's determination to return to the line of doing substantial work to promote its economic development.

Setting His Mind on the Reshuffle

To the eyes of Beijing and Shanghai people, the (proposal on) the 10-Year Program for development and the "Eighth Five-Year Plan" adopted at the Seventh Plenary Session of the 13th Central Committee held late last year, and the promotion of Zou Jiahua and Zhu Rongji to vice premiers at the recent Fourth Session of the Seventh NPC were two important decisions of Deng Xiaoping, who is bent on opening up a new situation in reform and opening in the next ten years. The former decision is a solution to economic reform's orientation, while the latter aims at organizing the force in leading reform.

Deng Xiaoping's concept of running the country is none other than one center—taking economic construction as the central task; and two basic points—adherence to the four cardinal principles and adherence to reform and opening. It has been Deng Xiaoping's persistent view to be firm in adhering to the four cardinal principles and reform and opening as well. After the "4 June" storm in 1989, he was anxious about reform and opening being cold-shouldered. He said, now that a solution is found to the problem of being weak in one arena (adherence to the four cardinal principles,) we should be still firmer in the other arena (reform and opening,) regarding which we have been rather firm. To the new leading body with

Jiang Zemin as the core, Deng made a point of requiring them to be bolder in conducting reform and opening while preventing a slide in the economy; that was the top priority in order to satisfy the people.

However, through his observations over a year or more, Deng Xiaoping found that Yao Yilin and Li Peng, who have been keen on Chen Yun's theory of "the caged economy," were not to be relied on in reform and opening. Since last August, the CPC mouthpiece RENMIN RIBAO had created public opinion in a big way regarding the 10-Year Program for development and the "Eighth Five-Year Plan" with Chen Yun's concept of "the caged economy" as guidance, which were to be adopted at the Seventh Plenary Session. Furthermore, the paper refrained from mentioning adherence to the principle of reform and opening, which Deng Xiaoping had repeatedly stressed. Such practice of elevating Chen while playing down Deng roused the latter's vigilance. At the national conference for administrative leaders and personnel of the planning commissions at provincial and municipal levels held in Beijing in mid-September last year, the second drafts of the 10-Year Program and "Eighth Five-Year Plan" under the charge of Yao Yilin were vetoed. Under such circumstances, Deng Xiaoping intervened in the economic plan once again, and set his mind on changing the State Council personnel structure to substantiate and strengthen its leading force.

Yao Yilin Was Asked To Keep Away from the Drafts

In fact, when the second drafts of the 10-Year Program and the "Eighth Five-Year Plan" were submitted to Deng Xiaoping for his deliberation before last September, Deng was dissatisfied with the drafts of the program and plan, which were typical in leaning on the reconstruction of the planned economy while neglecting the implementation of the principle of reform and opening. Moreover, during the spring festival early last year, Deng Xiaoping told Yao Yilin that in formulating the "Eighth Five-Year Plan" and the program for economic development in the most crucial decade of this century, the question of how to accelerate reform and opening should be the general guiding principle. Obviously, Deng's requirement had not been echoed in the drafts of the program and plan. For this reason, Deng was dissatisfied. However, he pointed out at the same time: "We should continue to extensively solicit and hear opinions. The 1990's are a crucial period with rare opportunities. The prospects are bright, I think, for reform and opening, provided they are conducted in longer strides."

Deng believed that this time his opinions would be shown some respect; but not so, as affairs turned out. The second drafts of the program and the "Eighth Five-Year Plan" under Yao Yilin's charge were vetoed again at the national conference of provincial governors in mid-September last year.

That worried Deng Xiaoping. One day, all the Central Committee Political Bureau Standing Committee members visited Deng Xiaoping to seek his instructions on the program and plan. In irritation, Deng criticized Yao Yilin, saying, "I told you in 1989 (note: referring to Deng's talks with Yao Yilin and Li Peng on 31 Aug 89) that the political report of the 13th party congress had been adopted by the party congress, and not a single word should be altered. I solicited the opinions of Li Xiannian and Chen Yun, and they agreed to that point. Now you have almost completely altered the 13th party congress resolution." Yao Yilin did not hear Deng's criticism with modesty and earnestly examine himself, but argued that there was no alternative as things stood at that time. Deng was all the more annoyed at this and said: You don't have to work on the drafts any more. Since then, Yao Yilin had refrained from working on the drafts of the program and plan and seldom appeared in public. At that time, rumors overseas said that he was taken seriously ill. However, informed persons said that Yao Yilin was in good health at that time, only he "had failed to brace himself up" in the wake of Deng's criticism.

In view of the fact that the drafts had twice been vetoed, Deng said to Jiang Zemin at that meeting, "As General Secretary, you should grasp the economy, too." That was a remark of criticism against Jiang as well as Deng's gesture of backing him.

Adopting a Series of Measures

In the wake of that meeting, Deng Xiaoping successively adopted the following important measures: First, Li Ruihuan was asked to tell the public that the Seventh Plenary Session of the 13th Central Committee would be postponed till late December; second, he required alteration of the program and plan, specifically the parts leaning on the reconstruction of the planned economy, with the contents of reform and opening added to them; third, Chen Jinhua was promoted to replace Li Peng in the latter's concurrent office of the State Commission for Restructuring Economy minister, while asking Chen to participate in the third drafts of the program and plan; fourth, Deng fixed the tone of the Seventh Plenary Session on the eve of its convocation. He gave a confidential briefing to Jiang Zemin, while asking the latter to relay to the Seventh Plenary Session his concept on "the new cat theory," namely: "The planned economy cannot be said to be socialist economy, nor can the market-oriented economy be said to be capitalist economy" to provide a theoretical weapon for breaking through "the caged economy" to develop the market-oriented economy; and fifth, on the eve of the convocation of the Seventh Plenary Session, Deng Xiaoping negotiated with other political octogenarians on promoting Zou Jiahua and Zhu Rongji to vice premiers. During the spring festival this year, Deng went down south to Shanghai again and negotiated with Chen Yun, Li Xiannian, Yang Shangkun, and Peng Zhen on the matter. On the eve of the convocation of the Fourth Session of the Seventh NPC in late March this year, it was suddenly decided that a measure of "promoting" some without involving

those already in office" was to be adopted to promote Zou Jiahua, Zhu Rongji, and Qian Qichen to the State Council's leading body.

An Omen Indicating Complete Handing Over of Office

Some people in Beijing commented that Zou, Zhu and Qian entering the State Council was due to Deng Xiaoping's consideration and the result of his meticulous arrangements for opening up a new situation in reform and opening, changing the image of government leaders, and consolidating Jiang Zemin's position as the core of leadership, thus completing and perfecting the Jiang structure. This action also revealed that Deng Xiaoping had really given much thought to the matter of breaking through Li Peng's domination over the State Council. Zou Jiahua and Zhu Rongji seem to be the appropriate candidates for the next premierhip; but who will eventually be selected depends on the observation and comparison of Deng and other octogenarians. The recent reshuffle has made the picture clearer concerning the "complete handing over of office" at the 14th CPC National Congress to be convoked in 1992.

However, it will not be easy for Deng to attain the aforesaid goal. Fierce contention is unavoidable, and a reverse of fortune is not entirely impossible.

'Foreign Politicians' Said Helping Dalai Lama

HK0705020791 Hong Kong SOUTH CHINA MORNING POST in English 7 May 91 p 12

[By John Kohut in Beijing]

[Text] A senior Chinese official yesterday accused unnamed foreign politicians of helping the Dalai Lama step up activities aimed at turning Tibet into a separate state.

"The Dalai Lama has strengthened his separatist activities with the aid of foreign career politicians," said Mr Zhuo Jia, a deputy chairman of the State Nationality Affairs Commission.

Mr Zhuo refused to say what sort of aid had been given to the Dalai Lama or name the politicians. However, he may have been referring to American President George Bush and others who have met Tibet's exiled leader in recent months, angering the Chinese Government.

Repeating the Chinese Government policy, Mr Zhuo, an ethnic Tibetan, said that Beijing would be willing to open talks with the Dalai Lama "if he gives up his separatist activities".

Mr Zhuo also claimed that the imposition of martial law in Lhasa following riots in march 1989 had been welcomed by the people of Tibet. Officials, herders and farmers had told him that without martial law, "the youths will make trouble", said Mr Zhuo. (Martial law was lifted a year ago.)

Asked why, except for a few rare exceptions, foreign journalists had not been given permission to visit Tibet

over the past two years, Mr Zhuo said it was because foreigners had given aid to anti-government protesters.

"The Zang (Tibetan) nationality is hospitable. Any-one is welcome to Tibet. But Tibetan people these years have welcomed friends, not unfriendly people," said Mr Zhuo, speaking at a press conference.

Foreigners had taught Tibetan youths to start fires, throw stones and "preserve (themselves) from poison gas," he said.

He accused some foreign journalists of having bad-mouthed the Communist Party and the Tibetan people.

"They are without journalistic ethics," Mr Zhuo said. "They say all kinds of pleasing things to get to go to Tibet and even when they don't have permission, they go as tourists, taking pictures and videos. After leaving they spread all sorts of negative reports about Tibet all over the place, creating all sorts of conflicts in the relationship between Tibetans and Hans (the dominant Chinese ethnic group)."

Nationalities Affairs Officials on Tibet Issues

OW0705061791 Beijing XINHUA Domestic Service
in Chinese 1253 GMT 6 May 91

[By reporter Wang Hongwei (3769 1347 0251) and trainee Qiao Guoxin (0829 0948 2450)]

[Text] Beijing, 6 May (XINHUA)—On answering questions raised by Chinese and foreign reporters today, Zhuo Jia (Tibetan), vice minister of the State Nationalities Affairs Commission, pointed out: Some countries recognize Tibet as a part of China on the one hand, and support and instigate the splittist activities by the Dalai Lama clique on the other hand, playing many little tricks on this issue. China resolutely opposes the involvement of any foreign governments, organizations, and individuals in Tibetan affairs.

The State Nationalities Affairs Commission and the All-China Journalists' Association held a film reception this afternoon, inviting Chinese and foreign reporters to watch films about Tibet. Zhuo Jia and Chen Xin, vice ministers of the State Nationalities Affairs Commission, answered reporters' questions.

Zhuo Jia said: The Dalai Lama was active in lobbying for "Tibet's Independence" in international society recently, intending to internationalize Tibetan affairs, that are China's internal affairs. He repeatedly contradicted his own words on holding talks with the Central Government, creating many difficulties for such talks. Therefore, it is not the Chinese Government's fault that no results were achieved in past talks and that talks are not able to be held presently, even after there having being stalled for a long time.

A reporter asked: Do the Central Government's principles and policies toward Tibet take Tibet's peculiarities into consideration? Ms. Chen Xin, vice minister of the

State Nationalities Affairs Commission, replied: Being located on "the Roof of the World," the Tibet Autonomous Region is a border region of minority nationalities, possessing peculiarities in its society, geographical conditions, natural conditions, and religious beliefs. Before the democratic reform, Tibet practiced a feudalistic serf system with the unification of politics and religion, and it remained fenced-in for a long time. Because of this, the special policies and flexible measures applied to Tibet by the Central People's Government are more tolerant and preferential than those to other autonomous ethnic regions. In agriculture and animal husbandry, for example, the government practices the policies of "households using land, exercising independent management on a long-term and constant basis," and "households raising livestock belonging to themselves, exercising independent management on a long-term and constant basis." Peoples engaged in agriculture and animal husbandry are exempt from requisition for labor and imposition of taxes. Peasants and herdsmen are free to purchase or sell their own products. In the external economy and foreign trade, the Tibet Autonomous Region has the right to issue certificates for importing and exporting various kinds of commodities. It keeps all of its foreign exchange earnings, instead of turning them over to the central financial department. All this embodies the guideline of promoting Tibet's economic development and raising the people's living standards in a faster way.

Zhuo Jia also reiterated at the reception: The Chinese Government's consistent policy toward the Dalai Lama remains unchanged. As long as the Dalai Lama is sincere in improving relations with the Central Government, stops conducting splittist activities, and abandons the call for "Tibet's Independence," the Central Government would like to hold talks with him and would welcome his return to the motherland. Zhu Jia also indicated that this year is the 40th anniversary of Tibet's peaceful liberation, a festival of the Tibetan people. People of all nationalities in Tibet will hold grand commemorative activities. This is also a great event worth celebrating by people of all nationalities around the country.

Over 50 Chinese and foreign reporters attended the reception in Beijing today, where three films were shown: "The Road We have Taken," "A Valley in the Himalayas," and "The Tibetan Singer Cedain Zhoima."

Dalai Lama Charges Denied

OW0605200591 Beijing International Service
in Mandarin 0900 GMT 5 May 91

[Report on interview with Lang Jie, Tibet's deputy to the Fourth Session of the Seventh National People's Congress and vice chairman of Tibet's Autonomous Regional People's Congress Standing Committee, by unidentified station reporter in Beijing "recently"; from the special "40 Years in Tibet" program]

[Text] Dear listeners and friends, Lang Jie, Tibet's deputy to the Fourth Session of the Seventh National People's Congress in Beijing and vice chairman of Tibet Autonomous Regional People's Congress Standing Committee, is a Tibetan. As the reporter could not understand the Tibetan language, Lang Jie answered the reporter's questions in the Han language.

The reporter said: You have been working in Tibet for 40 years since its peaceful liberation. Please brief our listeners on the conditions in Tibet.

[Begin Lang recording] Tibet has been implementing nationality reforms for four decades and has overthrown the backward feudal serf system. The broad masses of serfs and slaves have been liberated. There have been great changes in the society and the economy.

I can be termed a semi-Tibetan as well as a semi-East Tibetan. I have been in Tibet for more than 40 years and thus personally have witnessed Tibet's development and changes. According to our current statistics for 1990, the regional GNP was 2.217 billion yuan, the national income more than 1.742 billion yuan, and the per capita income reached 415 yuan. The area of arable land totaled more than 3.3 million mu, and the total grain output exceeded 555 million jin. The region's agricultural output value amounted to 789.5 million yuan. The number of heads of livestock reached 22.8 million, and the region had over 200,000 cubic meters of timber reserves. In addition, the industrial output value totaled 235.1 million yuan.

In education, there are now over 175,000 students, and the number of educational institutions totals 2,485. There are 23 radio broadcast and relay stations, and 41 wire broadcast stations. There are 17 independent scientific research organizations in Tibet. There are 1,009 various health organizations and 5,140 in-patient beds. We have 9,352 professionals and personnel working in the health field. There are over 137,000 cadres of minority nationalities. Enormous developments have been achieved in agriculture, communications and transport, posts and telecommunications as well as commerce. [end recording]

On reasons for the historic changes in Tibet in the last four decades, Lang Jie said: Tibet has achieved its historic changes mainly through the strong support of the central government and the people across the country; the changes are also the results of the joint efforts of various nationalities with the millions of liberated Tibetan peasants and herdsmen comprising the majority.

He stressed: Tibet must rely on the support from across the country to achieve development, as its original economic foundations were very weak. For example, from 1952 to 1990, the state's total financial appropriations and infrastructural investments in Tibet reached 17.77 billion yuan.

The reporter asked: In the Outline of the 10-Year Program and the Eighth Five-Year Plan for National Economic and Social Development, Premier Li Peng proposed to continually implement the Law on Regional Autonomy in Minority Nationality Areas and the various preferential policies toward the minor nationalities so as to stimulate speedier development of their economy and culture. What is your opinion?

Lang Jie said: In 1984, China formulated the Law on Regional Autonomy in Minority Nationality Areas, legally guaranteeing autonomy to these regions. To implement this law, we must uphold the CPC's leadership and the socialist road, and safeguard China's unity as well as unity among the nationalities. The purpose of regional autonomy is to guarantee that the people in autonomous areas will be the masters of their own affairs and that they can independently manage their economic and cultural affairs. In this way we can gradually transform our relatively backward conditions.

He said: The Outline of the 10-Year Program and the Eighth Five-Year Plan for National Economic and Social Development has outlined the development of such major projects as Tibet's Yarlung Zangbojiang River basin and Yangquan Yonghu Hydroelectric Station. This shows the central government's concern for the over 2 million people in Tibet and I deeply appreciate such concerns.

On the so-called "human rights" issues in Tibet, Lang Jie said: Tibet had previously implemented the serf system, which was gloomier and crueler than the system in place during the European Middle Ages. Under the system, the Tibetan people did not even have the most basic personal freedoms and did not have full meals. Basically, there were no human rights. Only after shaking off the serf system, could the broad masses of Tibetan people enjoy extensive democracy and freedom, which they never had before. In recent years, the central government has implemented a series of preferential policies toward Tibet. The Tibetan people have solved the problems of clothing and food, whose solution has been universally acknowledged.

The reporter asked: The Dalai Lama recently said from abroad that suppression continues in Tibet, and that more than 1,000 people were arrested in 1990. Is this accusation true?

[Begin Lang recording] The figure has been greatly exaggerated. It is not true. The number has been very greatly exaggerated. There were a very few economic criminal cases, but the number was very, very small. [end recording]

'One Country, Two Systems' Not for Tibet

OW0405030591 Beijing XINHUA in English
0215 GMT 4 May 91

['One Country, Two Systems' Concept Not Applicable to Tibet (Tibet's Today and Yesterday Background)—XINHUA headline]

[Text] Beijing, May 4 (XINHUA)—The concept of "one country, two systems" designed to resolve the Hong Kong and Taiwan issues in order to bring about the reunification of the motherland is not applicable to Tibet.

The question of Tibet is completely different from that of Hong Kong, Macao and Taiwan. Tibet was peacefully liberated as early as in 1951. The region abolished the feudal serfdom through the democratic reform in the late 1950s and early 1960s, and in 1965 the Tibet Autonomous Region was established. It has enjoyed regional autonomy of minority nationalities, and has carried out socialist construction for a few decades.

Taiwan, however, has not been reunified with the mainland yet. Therefore, the two questions should not be mentioned in the same breath.

Under the unified leadership of the central people's government, Tibet has exercised regional national autonomy and taken the socialist road. Great political, economic, cultural and social changes have taken place there. Only socialism can save and develop Tibet. Socialism is the unshakable historical choice of the Tibetan people.

Additional 'Flexible Policies'

HK0705051091 Beijing CHINA DAILY in English
7 May 91 p 1

[By staff reporter Xie Liangjun]

[Text] A high-ranking Chinese official has reaffirmed the continuation of the central government's "more special and more flexible policies" for the Tibet Autonomous Region in coming years.

Chen Xin, vice-minister in charge of the State Nationalities Affairs Commission [SNAC], told reporters in Beijing yesterday that the Law of Regional Autonomy over Ethnic Minorities, which became effective six years ago, is carried out in Tibet, as it is in other minority areas.

But taking many factors into consideration, she said, the central government will adopt "more preferential, more flexible and more special" policies in Tibet than in the other four autonomous regions.

These factors include special geographical position, harsh natural environment, out-of-the-ordinary culture and belief in Lamaism by most Tibetans and its under-developed economy.

Chen noted that in the past four decades, the central government had offered "the largest investment, in the construction of Tibet, among all autonomous regions in China," adding that the Chinese Government was still providing Tibet with 1 billion yuan (about 4188 million) in State financial subsidies annually.

Earlier, China Daily reported that a \$200-million programme, aimed at substantially boosting Tibet's agricultural development, had obtained endorsements from government ministries.

And the 10-year ambitious programme, which will develop the region's three major river valleys of the Yarlung Zanggbo, Lhasa and Nyang, has been listed on the agenda of the 1991-2000 Development Outline.

Zhol Jyal, another vice-minister of the SNAC, also attended yesterday's press conference co-hosted by the State Nationalities Affairs Commission and the All-China Federation of Journalists.

He said that at present the central government has no contact with the so-called "government-in-exile" of the Dalai Lama, because the Dalai Lama was stepping up his overseas separatist activities, seeking foreign support for his "Tibetan independence" movement.

He has "intensified his splittist attempts after he won the Nobel Peace Prize last year," the official told CHINA DAILY.

"Any questions can be put on the negotiation table, so long as the Dalai Lama abandons his splittist activities," he said.

Former Serfs Become Leaders in Tibet

HK0205152591 Beijing GUANGMING RIBAO
in Chinese 3 Apr 91 p 2

[Report by correspondents Chen Ke (7115 0668) and Tang Xiangyue (0781 3276 1471): "Large Number of Emancipated Serfs in Tibet Assume Leadership Posts at All Levels"]

[Text] With the socialist system's establishment and constant improvement, the status of people of all nationalities in Tibet as masters of the country has increasingly been consolidated and enhanced. There are now 37,000 cadres of Tibetan nationality in the autonomous region, accounting for two-thirds of the total number of cadres. Most of them were serfs or slaves in the old society.

Before peaceful liberation, the serf owner class, accounting for 5 percent of Tibetan population, owned all the land and grassy grounds and most livestock in Tibet, and the vast numbers of serfs and slaves struggled on the verge of poverty, starvation, and death. After peaceful liberation, the people of all nationalities in Tibet began to master their own fates and, under the guidance of the party's policy of "vigorously training nationality cadres," thousands upon thousands of former serfs' children gradually assumed leadership posts at all levels in the autonomous region.

As far back as in the 1950's, the party and the government set up Tibet cadre schools and Tibet public schools and trained a large number of nationality cadres. Since the 11th CPC Central Committee's Third Plenary Session, by learning general subjects, science, technology,

and modern managerial knowledge, a large number of nationality cadres have constantly raised their political consciousness and professional competence. Now, the principal leaders of people's congresses, governments, and Chinese People's Political Consultative Conference committees at all levels in the region are cadres of Tibetan nationality, and ethnic minority cadres account for 71.7, 69.6, and 74.8 percent of the cadres in the autonomous region, prefectures, and counties respectively; cadres of Tibetan nationality, most of whom were children of serfs in the old society, account for 66.6 percent of the cadres in the region. Thus, the requirement of Premier Zhou, before his death, that "cadres of Tibetan nationality should account for two-thirds of the total" has been basically achieved.

Of the large number of ethnic minority cadres, the growth of female cadres is especially impressive. It was explicitly stipulated in the "Statute Book" of old Tibet that "women do not have the right to discuss state affairs" and that "serfs and women are not allowed to take part in military and political affairs." Therefore, there was not a single female official in Tibet at that time. Now, female cadres account for one-third of the total number of cadres and female cadres from ethnic minorities account for 69.7 percent of the total number of female cadres.

When inspecting work in Tibet in July 1990, General Secretary Jiang Zemin grasped the hand of Raidi, vice secretary of the autonomous regional party committee, and cordially and gladly said: "What are true human rights? The fact that Comrade Raidi has turned from a serf into the number two man in the autonomous regional party committee can most eloquently elucidate the issue."

Public Figures on Human Rights in Tibet

OW0705022391 Beijing XINHUA Domestic Service
in Chinese 2013 GMT 5 May 91

["People of Various Circles in Tibet Discuss 'Human Rights' Issue (By reporters Zhuo Ma)(0587 3854) and Lang Jie (6745 2638)"]—XINHUA headline]

[Text] Lhasa, 6 May (XINHUA)—The deputies attending the Fourth Session of the Fifth Tibet Autonomous Regional People's Congress, as well as the members attending the Fourth Session of the Fifth Tibet Autonomous Regional Committee of the Chinese People's Political Consultative Conference [CPPCC], talked with reporters regarding the question of "human rights in Tibet." Citing their experiences and facts they have themselves witnessed, the deputies and members of the regional CPPCC committee explained that the people of all nationalities in Tibet can enjoy personal freedom and democratic rights only in the big family of the socialist motherland; adding that the masses of people in old Tibet under the feudal system were nothing but serfs whose fate was at the mercy of serf owners.

Qiabai Cidanpingcuo, deputy president of the Tibet Autonomous Regional Academy of Social Sciences, who is attending the regional CPPCC committee session as observer, said: I am a scholar of Tibet nationality who came from the old society. In old Tibet, the serfs and slaves who comprised of more than 90 percent of Tibet's population did not enjoy freedom and equal rights in the fields of politics, economy, and culture. Article 7 of the old code of Tibet classified people into three categories and nine grades; Articles 15, 16, and 13 stipulated the "price of life" between people. These Articles said: When a king is killed by a serf, "the price to compensate for the life is too great to count;" "when a hunter, blacksmith, butcher, and other low-grade people are killed, the price of their lives is about that of a piece of rope." Officials, the nobility, and the feudal lords of monasteries may exchange or give away serfs and slaves. Everything was decided upon by the owners at will, while the slaves themselves had not even the right to ask for mercy. Did they have any rights of "equality" and "freedom"?

Qiabai Cidanpingcuo said: It is the Communist Party and socialism that emancipated the Tibetan people from the feudal serf system, enabling the people of Tibet to truly enjoy the right of being the masters of their own affairs. This is an undeniable fact. Now, some people with ulterior motives are making a din about the question of "human rights in Tibet."

Danbachilie, a 73-year-old returned overseas Tibetan compatriot, was the housekeeper of the Luore Monastery's living buddha Chaba in Changdu before Tibet was liberated. He fled to a foreign country in 1959 after he was taken in by rumors. In 1982 he returned to Tibet to visit his relatives. During his visit he witnessed Tibet's construction achievements. He returned to settle down for good in 1985. He said: No one can change historical facts. The great changes that have taken place in the past 40 years since the liberation of Tibet are facts for all to see. Facts are the best means to prove whether the people of old Tibet enjoyed personal rights.

Danbachilie told a story that happened when he was 14 years old: In that year, the Gexia fully government appointed an aristocrat, named Jiarong, to fill the post of "jiqua" (chief administrator) of Mangkangzong. According to the traditional practice, when a new jiqua assumed this three-year post, the local people used to give him several dozen mules as a tribute. But this new jiqua asked for mares and jackasses instead of mules. Two local "genbao" (village chiefs) went to see the new jiqua with heda [a scarf] and other gifts, asking for his leniency and requesting that they be allowed to use mules as the tribute. The jiqua had the two genbao tied to wooden piles and shot to death on the charge of defying their superior. Danbachilie said: "In those days, even people of distinction were ill-treated by serf owners. What personal rights could the serfs and slaves at the lowest social stratum have!"

Gamaqunzong, member of the Standing Committee of the regional CPPCC Committee, said: We are Monba

people. Before the liberation of Tibet, the Monba people were especially subject to bullying and humiliation. Cruelly exploited and bullied by the three big lords, we even had no rights for living, not to mention our development. At that time, many Monba people died or were destitute and homeless. Almost all of the Monba people were illiterate. Even village chiefs could only write their own names. Today, the Monba people are quite different. There are public primary schools in all districts and people-run primary schools in every township. Moreover, the party and government have formulated many special policies for us. Now, the Monba people have not only the rights to decide on their production work and operations, but also the rights to treat their products on their own. Last year, my native township—Mama Township, Lebu District—scored a per-capita income of more than 800 yuan. The livelihood of the masses is becoming better and better. In addition, the state has made special appropriations to build new houses, power stations, and schools in those places inhabited by Monba people, thus creating favorable conditions for their development. A prosperous Monba community has now appeared in the mountain area on the southwestern frontier of the motherland.

Luosang, deputy to the regional people's congress and chairman of the Neighborhood Committee of Chengguan District, Lhasa City, said: In the past, I was a slave tending donkeys for my master. Now, I am able to attend meetings of the highest organ of power in Tibet and represent more than 2,000 residents in discussing Tibet's major policies. Speaking of ethnic rights, we are enjoying the full right of regional autonomy of minority nationalities. Our autonomous region can formulate its own economic policies on the basis of the state laws, and specific local conditions and needs. It can also use its local financial revenue according to its own arrangements. All major principles, policies, and measures of the autonomous region must be discussed, deliberated, and passed by the People's Congress before they are put into effect. Besides, all the basic rights of the people of Tibet, including their religious beliefs, customs, and habits, and written and spoken languages, are protected by law. As to whether old Tibet had human rights or present-day Tibet has human rights, we are quite clear.

Deputy Xijianzan, who is also party branch secretary of Lamu Township, Dagze County, said: Now, the broad masses of people of Tibet, emancipated and acting as masters, are living a happy life in the big family of the motherland, and are enjoying ample freedom and democratic rights. A handful of people attempt to separate Tibet from the motherland. Their intention is nothing but to restore the old Tibet, which was a paradise for a few people and a hell for the majority. Applying legal sanction to this handful of bad elements accords with the interests and aspiration of the broad masses of people in Tibet. However, international anti-China forces always extol them as "fighters" for "freedom" and "human rights." This is really an out-and-out lie. Their goal can never be achieved.

Gyaincain Norbu on Tibet's Development

OW0605041191 Beijing Central People's Radio
Network in Mandarin 2130 GMT 5 May 91

[From the "News and Press Review" program—recorded; individual reporters not identified]

[Text] Listeners: The past 40 years have seen a drastic change in the Tibet Autonomous Region on the southwestern frontier of the motherland. A new socialist Tibet appeared. Recently, our station's reporters Cui Shijie, Chen Donjie, and Yi Jia interviewed Gyaincain Norbu, chairman of Tibet Autonomous Region, in Lhasa.

[Reporter] How are you, Chairman Gyaincain Norbu?

[Gyaincain Norbu] I am fine. How are you?

[Reporter] From what we have seen and heard on this visit, we feel deeply that Tibet certainly changed a lot in every respect during the 40 years since its liberation. Would you please give us an all-around briefing on this.

[Gyaincain Norbu] On 23 May 1951, the central people's government and the then local government of Tibet signed an agreement on the peaceful liberation of Tibet, which is known as the 17-article agreement. The peaceful liberation of Tibet signified a great turning point in Tibet's history when the people of Tibet began to march on the bright road of unity, progress, and development. The state implemented special policies for Tibet over the past 40 years, especially since the Third Plenary Session of the 11th CPC Central Committee. In order for peasants and herdmen to recuperate and rehabilitate, taxes have been exempted, the policy of two unchange's for a long time to come [adhering unwaveringly to the path of socialist collectivization and public ownership of land and basic means of production and adhering unwaveringly to the system of production responsibility in agriculture] has been put into practice in farming and pastoral areas, and efforts have been made to popularize scientific farming and livestock-breeding methods. As a result, agricultural and livestock production has been brought up to a new level. Last year our grain output totaled 1.11 billion jin, the total number of livestock reached 22.8 million, and the gross value of agricultural and livestock production amounted to 789 million yuan. These were 3.6, 2.4, and 4.4 times the 1952 records respectively. Faced with a situation with no industrial foundation at all, the people of all nationalities in Tibet have strived together over the past 40 years and written a brilliant chapter in Tibet's history. Up to now, Tibet has established over a dozen industries, including electric power, mining, woolen textile, tanning, and machine building. Big and small enterprises are located here and there. The total industrial output value in Tibet last year was 138 times more than the 1959 figure. In addition, the past 40 years have seen remarkable achievements and drastic changes in Tibet's transportation, energy source development, education, culture, public health, sports, and urban construction. These achievements constitute a brilliant chapter on the success of the Chinese Communist Party in integrating the universal truth of

Marxism with the concrete situation in Tibet and in innovatively solving China's question on nationalities.

[Reporter] Thank you, chairman, for giving us this briefing.

Tibetan Technician Brings Light to Grasslands

*OW0305082791 Beijing XINHUA in English
0742 GMT 3 May 91*

[Text] Lhasa, May 3 (XINHUA)—Wind and sunlight are two rich energy resources on the grasslands of northern Tibet 4,000 meters above sea level, but herdsmen there had to use oil lamps for lighting generation by generation until several years ago when Cering brought windmills and solar cells to them.

Cering is the director of the science and technology commission and head of the wind power development office of the Nagqu Prefecture, where the 400,000-sq-km grasslands are located.

"There are no coal or water power resources that could be used to generate electricity here," the 38-year-old Tibetan said. "The only two thermal power stations, fueled by oil, can produce only 1.40 million kwh of electricity each year, which can hardly meet the needs of the population of Nagqu town, let alone those of the herdsmen living in the small villages hundreds of kilometers away from the town."

He added, "fortunately, there are plenty of solar and wind energy resources on the grasslands. As long as we try to spread the advanced technology of utilizing these renewable energy resources, the local herdsmen will be able not only to replace oil lamps with electric lights but also watch television at night."

Cering returned to Tibet after he graduated from the machinery and electrical appliance department of the Henan coal institute in 1976. He joined the science and technology commission and participated in the construction of the wind energy development office, the first of its kind in Tibet.

Cering said, "it was not difficult to establish an office, but it was not so easy to make the herdsmen accept and then master the new technology."

After completing the construction of the office, Cering and his colleagues went on horseback from one village to another on the vast grasslands, explaining the advantages of utilizing the renewable energy resources to the herdsmen and assembling the wind power equipment for the locals free of charge.

In each village they would stay for a month training the herdsmen in using and maintaining the equipment.

However, many herdsmen were suspicious at first of the new gadgets. After a lengthy period of education they have finally come to realize the benefits of solar and wind power.

Cering said, "it is my ambition to spread the new technology around the grasslands. Success depends on the co-operation and support of the herdsmen."

After seven years of hard work Cering and his colleagues have assembled more than 340 wind-powered electricity generators with a total capacity of 47 kw, and over 10,000 solar cells with a capacity of 20 kw, so that about 10 percent of the 295,000 people on the grasslands can benefit from renewable energy.

But Cering is not satisfied with this. "Because of the shortage of electricity, at least 200,000 residents in Nagqu prefecture will have to depend on renewable energy. So our short-term target is to let 50 percent of the population benefit from the renewable energy, though there are only 33 technicians in our office."

Provinces Help Train Professionals for Tibet

*OW0705100591 Beijing XINHUA in English
0823 GMT 7 May 91*

[Text] Beijing, May 7 (XINHUA)—Some 18 provinces and municipalities in China have opened courses specially for primary school graduates of Tibetan and other ethnic groups in Tibet since autumn 1985, with an eye to training mid-level professionals and technicians badly needed by the autonomous region.

In December 1984, the Chinese Government decided to open classes in inland schools to train Tibetan students.

Following the decision, Shanghai, Tianjin, Liaoning, Shandong, Hebei, Henan, Jiangsu, Anhui, Shaanxi, Hubei, Hunan, Shanxi, Zhejiang, Yunnan, Beijing, Sichuan, Chongqing and Jiangxi have opened courses specially for primary school graduates of Tibetan and other ethnic groups in Tibet.

The junior middle school courses generally cover four years, and 20 percent of the outstanding graduates may enroll in senior middle schools. After graduation they can attend university entrance examinations and continue their study. Most of the junior middle school students can, after examination, enter secondary vocational senior middle schools.

After graduation they will return to Tibet to participate in local economic and cultural construction.

At present, there are 5,200 Tibetans studying in inland Tibetan classes. Some 2,500 students graduated from these junior middle school classes in 1988 and 1989, and they are now studying in the secondary vocational and technical schools run by 21 provinces, municipalities and ministries.

In the junior middle school stage, the Tibetan classes are taught Tibetan by teachers from Tibet. In line with the national teaching programme for ordinary middle schools, these schools formulate separate teaching plans for Tibetan classes according to the actual conditions of their students.

The method of establishing Tibetan classes in some inland middle schools is aimed at making use of the schools' favourable conditions, such as teachers, equipment and teaching environment, to expedite the training of professionals for Tibet.

Tibetan Population Dispute Denied

HK0305024191 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 26 Apr 91 p 2

[Article by Zhong Quan (6945 3123): "Figures and Facts About Tibet's Population"]

[Text] A small number of Tibetan separatists living in exile abroad have created and spread all kinds of rumors about Tibet's population by saying that "one million Tibetans have been killed," "the Tibetans are facing genocide," "there are 6 million Tibetans and 7.5 billion Hans in Tibet, so the Tibetans are in the minority." These absurd rumors have confused some people who do not understand the real situation. But rumors cannot replace facts.

Tibet's Population Has Increased 100 Percent in the Last 40 Years

According to Tibetan and Han historical records, after Tibet became an administrative region under the jurisdiction of the Yuan Dynasty's central government in the 13th century, the central government sent personnel to conduct a census. Tibet's population was about 1 million at that time. A census conducted by the Qing Dynasty's central government in the year 1737 suggested that Tibet's population was about 1 million. No accurate census was made in Tibet when it was peacefully liberated in 1951. The population figure provided by the then Tibet local government was scarcely 1 million. In other words, during the several hundred years before its peaceful liberation, Tibet's population essentially did not increase.

Four censuses have been conducted throughout the country since the founding of New China. During the first nationwide census in 1953, the population figure submitted by the Tibet local government to the census department was scarcely 1 million (excluding the population of Qamdo Prefecture). During the second nationwide census in 1964, Tibet's population was 1.251 million, excluding 60,000 to 70,000 people who were forced to join the rebels in fleeing the country in 1959. Tibet's population was 1.892 million during the third nationwide census in 1982. The fourth nationwide census in 1990 suggested that Tibet's population was 2.196 million.

Tibet's population increased from scarcely 1 million in 1951 to over 2 million in 1990, an increase of more than 100 percent. This has laid bare the lie that "1 million Tibetans have been killed." If 1 million Tibetans had really been killed, how could the population have increased by 1 million in a short span of 40 years?

A Population Policy Beneficial to Tibet's Prosperity and Development

A region's population growth is affected by its conditions for social, political, economic, and cultural development.

Tibet's population remained undeveloped for several hundred years before liberation because Tibet was under serfdom for a long time. Its politics were corrupt, its society was destitute, its economy and culture were extremely backward, and the people lived an unimaginable miserable life. In addition, wars and disasters kept occurring (for example, smallpox was rampant in 1925, leaving 7,000 people dead; typhoid broke out in 1934 and 1937, leaving 5,000 people dead), and religious belief was prevalent, thus affecting and hampering its population growth.

Since Tibet's peaceful liberation, particularly since democratic reform in 1959, its population has grown markedly. This is because great changes have taken place in Tibet's society. One million Tibetan serfs have been liberated and have become masters of society. Tibet's economy and culture have developed speedily and vigorously. The people live and work in peace and contentment, and their living conditions have improved much. Diseases seriously harming people's lives and health are basically under control. Their ability to withstand natural disasters has improved. Even during the big snow disaster in Nagqu Prefecture from the winter of 1989 to the spring of 1990, no one died of hunger or cold.

China is a big country with 1.1 billion people. Controlling the population, improving the people's quality of life, and practicing family planning are China's basic state policies. Taking account of the population, economic, and social conditions of China's minority nationalities, the Chinese Government always adopts a special policy toward all minority nationalities, including the Tibetans. This policy provides: Family planning should also be encouraged in minority nationality regions, but detailed requirements and methods should be worked out by minority nationality autonomous regions and departments in light of their actual conditions. After family planning was introduced throughout the country in the early 1970's, only Han cadres, staff members, and workers in Tibet were required to abide by the policy of one child for one couple, whereas Tibetan cadres, staff members, and workers were not required to do so. In 1985, considering the actual growth of Tibet's population, the Tibet Autonomous Regional People's Government began to advocate family planning among Tibetan cadres, staff members, and workers, encouraging each couple to have two children at appropriate intervals. Education in scientific breeding was conducted among peasants and herdsmen to introduce optimal breeding and improve health protection for women and children. But the government has never imposed limits on the number of their children.

In the last 40 years since Tibet's peaceful liberation, Tibet's population has increased speedily and its quality has also improved. According to a survey by the relevant

department, from 1965 to 1982, the average height increment for Tibetan boys aged seven to 17 was 8.11 cm and the average height increment for Tibetan girls in the same age category was 8.46 cm; the former's average weight increment was 4.57 kg and the latter's 3.16 kg. The fourth nationwide census in 1990 indicated that illiterate and semiliterate Tibetans reduced from 90 percent of its total population in the period before its peaceful liberation to 44.43 percent. In each 10,000 people in Tibet, 57 have received university education, 212 have received senior middle school education, and 385 have received junior middle school education. The average life expectancy of Tibet's population rose from 35 years in the period before liberation to 65 years.

The Han and Other Nationalities in Tibet Only Account for 5 Percent

In Tibet, there are not only Tibetans but also Han, Hui, Menba, Geba, Cheng, and Xierba nationalities. The Tibetans are always an absolute majority. According to nationwide census figures, there were 1,209,000 Tibetans in 1964, 96.63 percent of the total population then; 1,786,500 Tibetans in 1982, 94.4 percent of the total; and 2,096,300 Tibetans in 1990, 95.46 percent of the total. Whereas the Hans respectively numbered 37,000, 91,700, and 81,200, accounting for 3, 4.85, and 3.7 percent of the total population. Other minority nationalities respectively numbered 5,000, 14,100, and 18,400, each accounting for 0.37, 0.75, and 0.84 percent of the total. From this population composition, how can we say that "the Tibetans are in the minority"?

The Chinese Government has never worked out or implemented an "immigration" plan toward Tibet. Most of the Han and ethnic professionals and technicians selected and sent by the state to Tibet according to its construction needs have acquired high cultural and technological levels. Coming from different provinces of the motherland, they have made contributions to Tibet's economic and cultural development together with the Tibetans. They are well received by the Tibetans.

Following the carrying out of reform, opening, and economic invigoration in Tibet for the last few years, some Han and Hui nationalities have come to Tibet to do business or engage in skilled jobs. These people, in limited numbers, are always on the move and do not settle down in Tibet. The assertion "7.5 million Hans have immigrated to Tibet and the Tibetans have become the minority" is sheer fabrication.

The Number and Distribution of Tibetans in China

Many foreigners do not have an adequate understanding of the contacts among different nationalities in China or their distribution in the country. They generally think that "Tibetans" include all "Tibetan people." This is a misunderstanding.

China is a unified multinational country comprising 56 nationalities. In prolonged historical development and contacts, different nationalities in China have formed

the habit of living in big and small groups. Apart from Tibet, Tibetans also live in some areas in Sichuan, Qinghai, Gansu, and Yunnan. These are not administrative regions or economic zones. The former Tibet local government (the Gexia government) never exercised jurisdiction over Tibetan areas outside Tibet. The distribution of Tibetans and the administrative division of Tibetan areas have taken shape in prolonged historical development. As early as the period before the 11th century, China's Tang and Song dynasties' central governments had already exercised direct jurisdiction over Tibetan areas in the northwest. In the 13th century, China's Yuan dynasty's central government began to exercise direct jurisdiction over Tibet as well as Tibetan areas in the southwest and northwest, initially establishing the administrative division of these Tibetan areas. Basically inheriting the Yuan dynasty's practice, the Ming dynasty's central government exercised the "policy of enfeoffment" in administering Tibetan areas. The Qing dynasty's central government provided more explicit definitions for the administrative division of Tibetan areas. In the year 1723, it set up 29 banners [name for administrative division] in Qinghai and Inner Mongolia, and a system of appointing national minority hereditary chiefs in Sichuan's Tibetan area. In 1725, it formed an office in Xining to handle Tibetan affairs. It defined the administrative division of Gansu Province's Tibetan area in 1731. The administrative division of Tibetan areas in Tibet, Qinghai, Gansu, and Yunnan did not change during the Kuomintang period, only the administrative division of the Tibetan area in Sichuan was transferred to Xikang.

After the founding of the PRC, the central people's government exercised a policy of regional autonomy on minority nationalities, basically preserving their original administrative division. It abolished Xikang, transferred its Ganmu and Aba prefectures under Sichuan's jurisdiction, and put its Qamdo prefecture under Tibet's jurisdiction. In accordance with the Chinese Constitution and laws on ethnic regional autonomy, the state established the Tibet Autonomous Region as well as 10 Tibetan autonomous prefectures and two Tibetan autonomous counties in Tibetan areas in the four provinces of Sichuan, Qinghai, Gansu, and Yunnan. The establishment of these Tibetan autonomous localities has ensured the equal rights of the Tibetan people in various Tibetan areas and enabled them to exercise administration and autonomy over their local economies and culture.

According to Tibetan historical records, there were at most 4 million Tibetans in ancient China. This figure drastically dropped due to all kinds of disasters. According to a household registration check by the Qing dynasty in 1737, there were 2.7 million Tibetans throughout China. Nationwide censuses after the founding of the PRC showed there were 2,775,000 Tibetans in 1953 and 4,593,300 Tibetans in 1990. About 2.96 million of them lived in the Tibet Autonomous Region, 2.1 million lived in the Tibetan autonomous areas of Sichuan, Qinghai, Gansu, and Yunnan, and about 400,000 lived scattered in other regions.

According to the fourth nationwide census in 1990, the population composition in Tibetan autonomous areas outside Tibet was 2.1 million Tibetans, 1.26 million Hans, and 600,000 other nationalities, respectively accounting for 53, 31, and 16 percent of the total. Together with the Tibet Autonomous Region's population, there were a total 6,156,000 people in Tibetan areas of the country. Of this total, 4,196,000 were Tibetans, accounting for 68.16 percent; 1,341,200 were Hans, accounting for 21.8 percent; and 618,800 were other nationalities, accounting for 10.04 percent. Obviously, the assertion "7.5 million Hans live in Tibet" proves to be groundless, even if this "Tibet" might not only refer to the Tibet Autonomous Region but also to other Tibetan areas outside Tibet.

Tibetans Discuss Human Rights

OW0705103891 Beijing XINHUA in English
0824 GMT 7 May 91

[Text] Lhasa, May 7 (XINHUA)—Only in the big family of socialist China, is it possible for Tibetans and people of other nationalities to enjoy full personal freedom and democratic rights.

This is a universal expression heard at the current session of the Fifth People's Congress and of the Fifth Chinese People's Political Consultative Conference of the Tibet Autonomous Region.

In the old Tibet under feudal serfdom, the delegates recalled, the people were like animals trampled down upon by serf owners.

Qadai Cedan Puncog, deputy director of the Tibet Autonomous Regional Academy of Social Sciences, who attended the Political Consultative Conference as an observer, said that in old Tibet more than 90 percent of the Tibetans were serfs or slaves controlled by their owners.

Under old Tibetan law, the people were classified into three categories and nine ranks, the scholar said. The law also stipulated the prices of the lives of different people. The life of a noble or an official was worth the lives of countless serfs while a blacksmith or a hunter was worth only a straw rope.

Qabai said that it was not until after 1951, when Tibet was peacefully liberated, that Tibetan people began to enjoy the rights of being the masters of their society. However, he said some people are still raising accusations concerning human rights in Tibet, and it is obvious that they have ulterior motives in mind.

Danba Chilai, 73, who was once a steward for the living Buddha of Loroi Temple in Tibet, said that in 1959 he believed the rumors and fled abroad. However, he decided to return to Tibet in 1985, after having witnessed the achievements and development in Tibet while visiting relatives and friends in his hometown in 1982.

Danba recalled how the feudal nobles cruelly oppressed and exploited the serfs and other innocent people. He said that it is evident whether or not the Tibetan people now have human rights.

Gama Qoicang, the Monba nationality member of the Standing Committee of the regional Political Consultative Conference, said that prior to 1951 the old government, as well as the nobles and senior monastic officials, oppressed the Monba nationality greater than any other single nationality.

Gana said that at that time most of the Monba people were illiterate, but the situation now is totally different from the past. At present, all townships have opened primary schools and the central and regional governments have initiated a number of special favorable policies for the Monba nationality. The government has also allocated money for housing construction, electric power stations and schools as part of an effort to help Monba nationality develop.

Last year, according to Gana, the average annual income per capita in his hometown reached 800 yuan (160 U.S. dollars).

Losang, a member of the regional People's Congress and director of the Residents Committee of Chengguan District of Lhasa, said that he was a slave and drove a donkey for his owner before liberation. Now, he is a member of the People's Congress and participated in the region's policy-making.

Losang said that the region has the power to freely and independently use its local financial revenue. In addition, he said, the people have the freedom of religious preference, and the right to use their mother language is also protected by legislation.

Zhaxi Gyaincain, the secretary of the Lamu township branch of the Communist Party Committee in Dazi County, said that a handful of people have attempted to separate Tibet from the happy big family of socialist China. Zhaxi said their intentions are to restore the old Tibet, which was "the palace for a tiny group" but "hell for the majority". That these individuals are punished in accordance with the law is in keeping with the aspirations of the masses of the Tibetan people, he added.

Tibetan Social Welfare Provided

OW2904082991 Beijing XINHUA in English
0634 GMT 29 Apr 91

["Social Welfare in Tibet (Tibet's Today and Yesterday Backgrounder)"]—XINHUA headline]

[Text] Beijing, April 29 (XINHUA)—China's central government has implemented a policy of supporting production and providing relief to impoverished areas and households in Tibet since the peaceful liberation of Tibet in 1951.

Between 1979 and 1990, the government allocated over 80 million yuan, 40 million kg of grain, 700,000 pieces of

garments and bedding, 7,000 rooms, 13,000 tents, 75,000 production tools and 800,000 motor vehicles for the poor in Tibet. As a result, more than 300,000 people from 60,000 households have rid themselves of poverty and some 80,000 people of 10,000 households have since then begun to get prosperous.

The government offers various guarantees for the orphans and elderly people in Tibet. At present, seven welfare facilities and 50 homes for the aged have been established in the autonomous region.

The government has introduced a program to cover food, clothing, medical care, housing and burial expenses for the childless and infirm elderly and for the weak, sick and disabled who have lost their ability to work. In 1989, there were 7,300 people under the care of the program in rural and pastoral areas, to whom the government offers an average of 2.5 million yuan in relief funds annually.

From winter 1989 to spring 1990, the northern part of Tibet was seriously hit by the worst snowstorm in a century. The work group sent by the State Council went to the disaster-stricken area to express sympathy and solicitude to the victims of the natural calamity, and airplanes were sent to airdrop relief supplies to the stricken area. The government allocated some 10 million yuan in relief funds, transported 5,000 tons of relief grain and a great quality of tea and fuel there. People from various nationalities throughout the country donated 3.2 million yuan to support the disaster relief effort. The efforts made by the various sectors ensured that no one died of frost and hunger in the disaster.

Education Branches Out in Tibet

*OW0605131391 Beijing XINHUA in English
1213 GMT 6 May 91*

["Public Education in Tibet (Tibet's Today and Yesterday Backgrounder)"]—XINHUA headline]

[Text] Beijing, May 6 (XINHUA)—In addition to regular education, Tibet has developed adult higher education, video-visual education, spare-time education, literacy classes and various training courses.

To date, 3,320 people have passed the examinations for self-taught adult education and acquired certificates for different subjects of study.

Adult higher education is a major part of Tibet's education programme. Since 1984, the autonomous region has opened basic education courses and course of the Tibetan language, Tibetan literature, Han language and Han literature for party and government cadres and for teachers of various nationalities in Lhasa, Qamdu, Shannan, Nyingchi, Xigaze, Nagqu and Ngari.

In 1985, Tibet built its first audio-visual education centre and began a television education programme. In 1987, the television station began to teach primary and middle school courses in both Tibetan and Han, and plans are being made

to broadcast a unified national teaching material for junior and senior middle schools in Tibetan.

In 1987, the autonomous region set up a Tibetan teacher training centre in Lhasa for middle school teachers who teach in the Tibetan language. In-service training and continuous education for different subjects of study started for teachers, cadres, workers and employees.

Before 1950, the masses of serfs and slaves in Tibet were deprived of the right to education. After the peaceful liberation of Tibet, while striving to develop basic education, the people's government supported activities designed to eliminate illiteracy and expand primary amateur education, and achieved good results.

Education Improved in Tibet

*OW0405022591 Beijing XINHUA in English
0203 GMT 4 May 91*

["National Education System Takes Shape in Tibet (Tibet's Today and Yesterday Backgrounder)"]—XINHUA headline]

[Text] Beijing, May 4 (XINHUA)—Since 1980, more than 90,000 students of different nationalities (mostly Tibetan) have graduated from various schools in Tibet, and about 8,000 of them are university and secondary vocational school graduates.

Tibet only had a monastery education for the study of scriptures and a few private schools for the children of nobles and local officials before its peaceful liberation in 1951. More than 90 percent of all Tibetans were either illiterate or semi-literate.

To improve the local education, a number of primary schools were built in Lhasa and other places in the early days after the peaceful liberation.

Former local government officials, living Buddhas and lamas were appointed leaders and teachers of the schools for which board of directors were established and all students enjoyed grant-in-aid.

In 1957, a Tibetan school was established in Xianyang City, Shaanxi Province, and in 1962, the College of Tibetan Nationality was founded in the same city.

By 1965, Tibet had built 1,800 primary schools with a total enrollment of 70,000, four ordinary middle schools with more than 1,000 students, and a secondary vocational school, a secondary technical school and a university with a combined enrollment of 2,700.

In the last decade, the government has drastically increased its investment in Tibet's education. In 1989 alone, the autonomous region appropriated 180 million yuan for education, accounting for 15 percent of the locality's total expenditure that year.

Given the actual situation in Tibet, the government has adopted a series of special policies. For instance, the children of Tibetan farmers and herdsman enjoy free boarding and education; special funds are allocated to improve local school facilities; teachers are sent from inland areas to help improve the teaching quality; and courses are available in inland areas to train Tibetan professionals.

Thanks to these measures, gratifying results have been achieved. At present, the region has three universities with a total enrollment of 1,973, some 15 secondary vocational and technical schools with 3,968 students, 68 ordinary middle schools with 23,000 students, 2,398 primary schools with 139,000 students, and 40 kindergartens with a total enrollment of 3,000.

In addition, 18 inland provinces and municipalities have opened 15 junior middle school classes and secondary vocational classes for Tibetans which have a combined enrollment of 7,000.

Native Language Used in Tibetan Schools

OW0605130091 Beijing XINHUA in English
1142 GMT 6 May 91

["Tibetan Used in Schools in Tibet (Tibet's Today and Yesterday Backgrounder)"]—XINHUA headline]

[Text] Beijing, May 6 (XINHUA)—Most of the primary schools in Tibet now use Tibetan.

Because teachers of mathematics, physics and chemistry above the junior middle school level to teach in Tibetan still need to be trained, the teaching in Tibetan schools falls into four categories:

- in addition to Tibetan language class, all the other subjects are also taught in Tibetan;
- some subjects are taught in Han and some in Tibetan language;
- all subjects, except for the Tibetan language, are taught in Han; and
- Han is the only language used in teaching.

Nevertheless, according to the region's teaching programme, all senior middle school graduates are requested to use both Tibetan and Han.

Tibet's 'Feudal' Past, 'No Shangri-La'

HK0405061191 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 23 Apr 91 p 2

[Article by Jin Zhu (6855 3796): "Was Tibet Really Last 'Shangri-La?'"]

[Text] Often likened by some foreigners to the Shangri-La depicted in "Lost Horizon" (written by English novelist James Hilton in 1933), Tibet had always seemed an other-worldly pastoral land. Little did these foreigners know that as late as the 1950's Tibet remained a society of feudal serfdom ruled by a monk-noble aristocracy under a theocratic system reminiscent of medieval Europe.

Tibet before 1959 was a society of feudal serfdom, having all the general characteristics of feudal serfdom as well as many residual elements of slavery peculiar to Tibet in its early feudal social stages, as for example the dominant status of the corvée-rent system, the possession of slaves by serf owners, keeping of household slaves, and so on. Tibetan serfdom was a crueler and darker social system than its medieval European counterpart.

I. Social, Economic Structures, Characteristics

The economic structure of Tibetan feudal and serfdom society was severely distorted. Less than five percent of the population were of the possessing, dominating and ruling class, while 95 percent were serfs and slaves to be exploited and oppressed in slavery. Economically serfs and slaves were forever nailed by the "three sharp prongs" of various exorbitant levies, taxes, and corvée labor.

The "three great overlords"—Tibetan feudal serf owners were comprised of the three great overlords of government officials, nobles, and clergies, in total accounting for about five percent of Tibet's population while possessing all of Tibetan land and grazing land and most of its livestock. Officials meant the previous Tibetan regional government who personally owned and operated some parts of the land. The land owned by nobles was hereditary, and that by monasteries was acquired through government grants or awards. According to statistics compiled in June 1959 before the democratic reform, Tibet had 3.3 million ke (ke approximately equivalent to mu) actual arable land. Of the area, the regional government occupied about 1,283,700 ke, 38.8 percent of the total land; 790,000 ke—24 percent—were owned by nobles and monasteries and senior clerics accounted for 1,214,400 ke, 36.8 percent; leaving only 9,900 ke among independent tiller-farmers, a mere 0.3 percent.

Serfs and slaves—Serfs and slaves, who accounted for 95 percent of the population, did not own land or even their personal freedom. From generation to generation, they were destined to be serfs and slaves to the three great overlords, chained to the manorial lands. Serfs and slaves could be further divided into the three main strata of Chaba [1567 1572], Duiqiong [1010 4522], and Langsheng [6745 3932]; the former two were serfs and the last one slaves.

Chaba, tenant serfs who tilled the manorial estates. They got from manor masters a land for which they had to pay rent. They were tied as person to the manorial lands and owned by the serf masters. Serfs did not have personal freedom and were not allowed to leave the land at will. Every year they had to put themselves at the service of their serf owners, undertaking various kinds of corvée labor, tilling and tending the serf masters' directly administered lands without compensation and paying various levies (in kind or in currency). Serfs had only the right to use, but not own, the rented land, and so could not sell it. In general 60 to 70 percent of serfs were chaba.

Duiqiong, small household serfs who had an even lower social status and harder livelihood than chaba. Some of them obtained some leased land from manorial lords in

return for unpaid labor and service for the manorial lords' directly administered estates, maintaining a subsistence level with the crops from the leased land. Some made a living with their handicrafts or through selling their labor, and every year had to pay corvée taxes to manorial lords. In general, 30 to 40 percent of serfs were *duiqiong*.

Langsheng means "those kept in households," who in fact were slaves. They did not own any living materials nor any personal rights, working without compensation at all for serf owners in return for a livelihood and completely subject to the will of serf owners, who could give them away as gift or trade, sell or pawn them as a piece of private property. Langsheng in manorial estates usually worked in manor houses, tending odd businesses or carrying out assigned duties. The sons and daughters of langsheng were born as langsheng, slaves for generations on end. Investigations done during the democratic reform showed that most of the langsheng then became such by birth as their ancestors were langsheng. People generally think that this was left over from Tibet's historical slavery system.

Manors and tribes—The occupation and operation of land in a feudal manorial form was one of the basic characteristics of Tibet's feudal serfdom. Depending on the social identity of the manorial lords, feudal manors can be classified into three kinds: One was government manors directly owned by the Tibetan regional government and called "*xiong*" [7160] in Tibetan; another was nobles manors and called "*ge*" [2706]; and the last one was monastic manors, called "*qu*." [2575]

The operations of manorial lands chiefly took two forms: One was direct administration by the manorial lords and the other was leasing land to *chaba* and letting them run it. All the manorial lords' directly administered lands were tilled with serfs' unpaid corvée labor, though all harvests went to the lords. The larger the directly administered lands, the heavier the landlords' exploitation of the serfs. When a *chaba* was farming a leased land, he would also have to perform "external" corvée labor for the government as well as "internal" labor for his manorial lord.

The administration over grazing land by the three great overlords took individual tribes as units. But these tribes were totally different from those in primitive society. They were administrative areas marked out by the three great overlords for running herd serfs as well as the administrative organs to exploit the herd serfs. The three great overlords owned separate grazing lands as well as the herd serf tribes that lived on these grazing lands. The difference from the farmland situation was, because of the characteristics of the animal husbandry economy, a tribe could be residing on the grazing land of a manorial lord to whom it belonged while herding on those of several other lords; and in this way herd serfs had direct and indirect lords, to the former they were bound personally and for them they had to perform various corvées, while to the latter they had no personal bondage but had to pay them grazing charges.

"The cha [1567] in the form of corvée and therefore calling for leg muscle" and "the cha in the form of submitting taxes in kind and therefore calling for hands"—"Cha" in the Tibetan language is a word of wide ranging references, all of which, however, fall within the general meaning of levies and taxes to include corvée labor, taxation, and land rent. These levies were of two main types: One was those that "require leg muscle," called "*gang zhuo*" [0474 2191] in Tibetan, meaning corvée labor performed by humans, draft animals, and asses. The second type was those "that were to be submitted with hands," called "*na tun*" [2169 1470], referring to levies in kind or currency submitted with hands. Investigation done during the democratic reform in Tibet showed that corvée levy accounted for some 60 percent of all the various levies, with levies in kind and currencies taking up the remaining 40 percent. Generally over 65 percent of serfs' labor days went for corvée levy; levies paid in kind accounted also about 65 percent of their income. Apart from various levies there were also hundreds of levies and taxes under various names.

Internal and external levies and wula [3527 2139] levy—levies in kind or corvée labor paid to monastic and noble manors were called internal levies, while levies mandated by central and local governments were, in the eyes of nobility and monasteries, external levies and generally called *wula* levies. "*Wula*," a Turkish word, referred to a labor duty in the Yuan Dynasty, which meant supplying horses to officials traveling between Tibet and Xining, delivering messages and various goods, and continued throughout the Ming and Qing Dynasties. This was the serfs' obligation for the central government. In Tibet, the serfs were responsible for the outlays and services of traveling local government officials within the Tibetan territory, and the transport of various government material supplies. These were the serfs' obligations for local governments. Obligations for central and local governments were regarded as external levies.

"Whether dead or alive" and "birth and death"—There were two animal husbandry forms in the Tibetan grazing land: One was the permanent "whether dead or alive" lease, where a herd owner forced a certain number of livestock on a herdsman to keep, who then had to pay annually a specified sum as the fee to keep this number of livestock. The fee was fixed and not affected by the number of deaths or births among the entrusted animals. Livestock leasing in the "whether or dead or alive" form was one of the three great overlords' feudal prerogatives, to be forcibly apportioned on the herdsman, who could neither resist the lease nor terminate it. Even when the livestock underwritten by the original breeding lease died out, the descendants of the leaseholder would have to continue paying the fixed fee. If the entire leaseholding family died, the burden of payment would automatically shift to the family's relatives or neighbors.

Another was the "birth and death" lease. A herd owner would force a herdsman to keep and tend a certain number of livestock. Every year the herdsman had to report to him the number of deaths and births among the

leased animals, producing the skins of dead livestock by way of proof. The skin of livestock that died a natural death had to be turned over to the overlord, then the herdsman could be absolved of the payment burden for the dead animals. The "birth and death" lease exploited the serfs by taking away 50 to 60 percent of a year's animal husbandry volume. In a few cases the exploitation accounted for some 70 percent.

Usury, descendent debt, and joint surety debt—Usury was an important means by which the three great Tibetan overlords exploited the serfs. All the three great overlords were creditors.

Each generation of the Dalai Lama had a special organ in charge of his loan affairs, turning all the offerings to him into loans to the masses at sharp interest rate. According to the incomplete entries of a 1950 ledger, usurious loans totalled 3,038,581 Tibetan silver taels, generating an annual interest of 303,858 Tibetan silver taels.

Organs and officials at all levels of the Tibetan regional government practiced usury. The government treated lending and interest collection as part of the administrative duties of officials of all ranks. Government loans' annual interest rate was one tenth of the principals.

All Tibetan monasteries, large and small, lent money. According to the surveys done during the democratic reform, Lhasa's three great monasteries loaned out 1,623,273 Tibetan ke (each ke measures about 14 kg) of grain and reaped 285,692 ke of grain in annual interests. Usurious interests made up 25 to 30 percent of the three great monasteries' total income. Monasteries generally charged 30 percent interest rate on money loans and, for grain loans, demanded "a return of five ke for every four ke loaned" as annual interest.

The overwhelming majority of Tibetan nobility also practiced usury. Loan interests generally accounted for 15 to 20 percent of a family's income. The nobles generally charged 20 percent interest rate on money loans and, in the case of grain loans, a rate of five out of every four ke; and occasionally five out of every six.

Based on the surveys on Dingqing, Jiangzi, and Bailangxian Counties, we found that monastic lords were the one among the three great overlords to make the largest loans, generally accounting for 40 to 50 percent of the total loans made by the three, with government loans taking up 20 to 25 percent and noble loans 15 to 20 percent; and 5 to 10 percent made by various sorts of people.

There were two forms of debt for the serfs: One was descendent debt and the other joint surety debt.

Descendent debt was also called "owing old debt." In some cases the debt was several generations old and even the debtor himself forgot when it was made, how much the initial amount was and how much repaid, completely at the mercy of the creditor and his "debt certificate" as debt repayment stretched into future generations. When a serf was unable to repay his debt, his overlord would

seize his leased farm plot as compensation. The serf, in order to stay alive, would rent back the seized "plot" to farm. This way, a serf had to pay for a leased plot to his overlord, rents in lieu of debt interests apart from the usual rent in the form of corvée labor. Surveys showed that 80 to 90 percent of Tibetan serfs were in debt, with 30 to 40 percent of whom in descendent debts. Usually about 30 percent of a serf's annual harvest income went to debt interest payment; interest payment on descendent debts took up an even larger proportion. When a serf divided up his household, so would its debts. The family member who got a share of the debt burden had to initiate a separate debt agreement committing himself to repayment of that share.

Joint surety debt. When a household raised debt, one to several households would act as its surety. When several households raised debt simultaneously, they acted as sureties for each other. If the debt involved the entire village, then the entire village would be held as surety. If a household fled its debt, other households would be responsible for the repayment. Similarly if a household was unable to pay its debt, other households would pay for it, and if a household died out, others would take over its debt. Moreover, if a debtor tenant farmer died or took flight together with his family, his debt would pass on to the new tenant farmer who inherited the leased farmland.

II. Social, Political Institutions, Characteristics

The serf owners had a body of theocratic and highly hierarchical social and political institutions and code of severe criminal laws to protect and maintain their economic interests. Subject to outright exploitation, the serfs and slaves had absolutely no personal freedom or democratic rights. And all of these religious privileges were shrouded in a holy halo. The serfs and slaves put up with every sort of hardship in this world, pinning all their hopes on a next, nonexistent world.

The "theocratic" regional political power—In terms of the nature of its political power and political conditions, Tibetan theocracy was in character a combination of ecclesiastic and political power where it exerted its spiritual and political rule and suppression on the people. The Tibetan government was called "Gexia," [0900 1115], a Tibetan word meaning an "order-issuing organ." The regional government was comprised of monks and nobles of high social status who represented the interests of the serf-owning classes. Ecclesiastic officials were higher in rank than their lay counterparts. According to the Qing dynasty's system, led directly by the Dalai Lama and Commissioner of Tibet, Gexia was installed with four gelun [0900 0243]. The 13th Dalai Lama ruled that the presiding gelun had to be an ecclesiastic official. Under the Gexia was a secretariat comprised of four clerics and an auditing office staffed by four lay officials. In form the secretariat was under Gexia, but in practice received orders directly from the Dalai Lama. As a matter of fact, Gexia had to go through the secretariat to report the Dalai Lama for important business. The chief posts at special prefectural and

county administrations under the Tibetan regional government were jointly held by a monk and lay official, with the monks at a higher rank. Some monasteries enjoyed political privileges such as directly appointing officials, setting up courts and prisons, and exercising judicial powers.

The serf-owners' possession of the serfs—The three great overlords' possession of land and other major production materials basically deprived the serfs of material conditions for living. The possession was the foundation for serf-owners' exploitation of the serfs as well as an important precondition for their owning the latter as a person. The land served as an important means for exploitation as well as bondage on the serfs. The serfs were owned by serf-owners along with other production materials as property. The more serfs a serf-owner had the wealthier he was. The possession of the serfs was mainly shown in the following ways: A serf-owner had total control over his serfs and was able to rent and transfer them or put them up as bets or pawns, or even simply give them away as gifts or sell them to another lord. Some serfs were transferred and sold many times over. A serf would find himself under a master on the day he was born. Only when he died would his master delete his name from the list. When he married he had first to tender gifts to his lord. If the boy or girl serf belonged to a different master, the couple had to seek consent from both masters before they married. In this case, either one of the couple would pay a ransom to redeem himself or herself and then become serf to the master of the other side. Alternatively, the lords of the couple might facilitate change of ownership by switching serfs between themselves; or the couple, together with the children born after marriage, might remain the subjects of their different masters: Male infants would be owned by the father's lord, and female infants by mother's lord.

Personal corvee tax—Serfs not having direct tenancy with any lords or earning a living somewhere else were required, at a specific time each year, to return to their lords to perform a personal corvee labor service by way of paying his share of taxes and acknowledging the lordship. However far a serf might travel he was always under the chain of the personal corvee tax and never allowed to become a free man not owned by any lords.

"Three classes and nine strata"—The Tibetan regional government's code of law divided people into three classes and nine strata according to lineages and occupational status. "Humans are divided into upper, middle, and lower classes; each of which was subdivided into upper, middle, and lower strata." Living buddhas of different ranks and noblemen were the "upper humans;" merchants, clerks, herd owners and big tenant farmer households in rural areas were "middle humans" and the lower laboring folks and broad mass of serfs and slaves were "lower humans." Iron smiths, butchers and corpse-bearers were regarded as "the lower stratum of the lower class," inferior in social status to even ordinary folks and prohibited from being seated with them in public or

drinking wine or tea from the same bowls. Lower humans would be punished with various sentences if they offended any upper ones. The legal code also stipulated that "since humans differ by classes and strata, the value of life accordingly varies." A murdered person from the upper strata of the upper class would be worth as much gold as his corpse weighed, while the life of one from the lower strata of the lower class would only be good for a straw string.

The judiciary and penal code—Serf-owners' exploitation and suppression of the serfs and the possession of their bodies were maintained by the institutional violence of feudal serfdom. Parallel with the theocratic political power was a Tibetan code of theocratic law according to which the three great overlords' rule over the serfs was a divine will, the serfs being destined to suffer and resistance out of the question. The Tibetan regional government and organs equivalent in status to special prefectures and counties, down to individual overlords and local leaders could all handle litigations. Large monasteries had their own judges to try cases arising from among the monks. Ecclesiastic suspects would first be tried by monasteries; governments from any levels were not allowed to intervene with the trials. Sentences passed by monasteries carried the same power as the government's. Government at all levels turned the damp and dark rooms at the lower floors of its quarters into prisons. The three great overlords could set up prisons at their own estates and large monasteries could have their own custodies. In Lhasa convicts were seen begging on the streets in shackles, foot chains, or handcuffs. Some were exiled to remote borders as lifelong serfs. Tibetan courts and prisons often meted out to law breakers dozens of unspeakably cruel punishments such as gouging out their eyes, cutting their noses, ears, hands, feet, placing stone slabs on their heads, having them stand in a cage for hours on end or locking them up in dungeons. Naturally such a society could not have any democracy, freedom, or human rights.

III. Social Condition, Its Stagnant, Deteriorating Tendency

The long-standing rule of feudal serfdom plunged Tibetan society into a stagnant and deteriorating state, seriously hampered social progress and shackled growth of production forces and made social contradictions increasingly acute.

—**Society and the economy were increasingly deteriorating.** Tibet's production tools were extremely primitive and there was a lack of iron tools. People farmed with wooden ploughs or hoes while some practised the slash-and-burn cultivation. With extensive farm system and therefore low productive forces, grain output remained the same, or even dropped, over the last one or two centuries. Animal husbandry was still done in the primitive way of natural grazing. Grazing lands were eroded and livestock breeds deteriorated; livestock were threatened by serious plagues and

animal predators. Processing methods for livestock produces remained primitive and livestock suffered a very low survival rate.

- Society and culture languished for long.** The theocratic system made religion the ruling social ideology. To sanctify their feudal privileges and spiritually enslave the people, feudal lords taught people with the help of religion to tolerate, compromise, and accept whatever hardships that descended on them. All new thinking, culture and science and technology in contrast with the will of the ruling classes were branded as heretic. This imprisoned people's minds and hindered the extension of education and development of scientific culture. The Tibetan people, who once created a brilliant ancient culture, had under the reigns of the Dalai Lama a 90 percent or more illiteracy rate.
- People lived in extreme poverty.** Forced to labor under heavy loads for serf-owners, burdened with exacting corvée, rents and taxes and subject to forcible supra-economic exploitation, the broad mass of serfs and slaves struggled all the year round on the poverty line and against starvation and death. Before the democratic reform, as many as 4,000 to 5,000 of Lhasa's 37,000 population, and 2,000 to 3,000 of Xi Gaze's less-than-10,000 population, were paupers. Malignant diseases were frequent and spread uncontrolled. Average population life expectancy was 35.5 years. Tibet's populations dropped drastically from several million in the prosperous eras to less than a million. The serfs and slaves rebelled against serf-owners' exploitation and suppression by passive workflow, refusing to pay rents and labor, fleeing, and uprisings.

What is being related here was not distant history but the social conditions under the reign of the Dalai Lama before 1959. The small number of exiles now talking glibly in foreign countries about democracy, freedom and human rights were the very people who as the then feudal serf-owners brutally trampled Tibetan people's human rights. Under their rule, the political suppression and economic exploitation of the Tibetan people and the misery of their livelihood were so harsh and cruel and serious, that it was rarely seen. And the root cause of all these was feudal serfdom. Should such a social system not be abolished in total? Could the Tibetan people welcome back those serf-owner exiles so they could restore their brutal rule? Could such a social institution be the "most sacred and wonderful institution" as preached by those Tibetan serf-owner exiles? Could such a social institution be what those misguided foreigners described as the last "Shangri-La?"

Science & Technology

Advance of Aeronautical Industry Reviewed

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p 18, 19

[Article by Cheng Qing (4453 7230): Road Taken by China's Aeronautical Industry In the Past 40 Years"]

[Text] From 1951 to 17 April 1991, China's aeronautical industry has covered an extraordinary road of 40 years. Growing out of nothing, the Republic's aeronautical industry has, despite many difficulties, successfully stridden, one step after another, from repairs and imitations to the self-design and manufacture of aircraft, and has developed into a new industry on a considerable scale, which can mass produce aircraft, arm our air force and navy, and equip civil aviation. In addition, the industry has also brought about technological progression in domestic industries in raw and semi-finished materials, and machinery; and provided favorable conditions to the start of such industries as rockets and missiles.

At present, China has already set up a solidly-based aeronautical industrial system with relatively complete categories. Over the past 40 years, the industry has turned out a total of more than 13,000 aircraft of 27 types in 60 models, and more than 14,000 coastal defense missiles; earned the state over \$2 billion in foreign exchange through the exports of several hundred aircraft and nearly 1,000 engines; and won nearly 1,000 major awards for technical achievements, including Model-8 fighters [jian ba 3005 0360] and Model-5 attack planes [qiang wu 1730 0063] that have won the state's special awards for scientific and technological progress.

Beginning the 1980's in line with the strategic principle of "basing on aeronautics and astronautics, integrating military with civil use, giving top priority to war production, relying mainly on products for civil use, and opening up international markets," China's aeronautical industry has devoted major efforts to promoting the manufacture of civil goods under the prerequisite of guaranteeing the production of military goods; and carried out multi-sided international cooperations so as to put its products in a wider range of international markets. As a result, the industry has always maintained a long-lasting momentum of high-tech development.

Taking Off From a Vulnerable Base

In today's world, the development level of a country's aeronautical industry as well as the advanced degree of its aircraft have become an important criterion in judging the national defense and economic strengths of the country. However, the aeronautical industry of New China had to start from a poor and vulnerable basis.

Old China saw failure in establishing an aeronautical industry as an independent industrial division during a period of nearly 40 years, from 1910 when the Qing Government built a factory to repair and manufacture aircraft in Nanyuan, Beijing, to 1949. Although a small number of aircraft were turned out, production was limited to the manufacture and assembly of airframes. By the time the People's Republic of China was founded in 1949, the already weak basis of aeronautical industry on the vast land of China had been destroyed by war, and there was very little left except for a few technical personnel in the aeronautical field.

Since the founding of New China, the CPC Central Committee and the State Council have attached great importance to and given vigorous support for the establishment of a new aeronautical industry, regarding it as an important mainstay in promoting the economy and consolidating national defense. The development phases that the Republic's aeronautical industry has undergone are roughly summarized as follows:

—The period from 1951 to 1960 was the initial establishment and development phase for China's aeronautical industry.

During this period, the aeronautical industry, in line with the principle of self-reliance, vigorously introduced technologies from the Soviet Union; built up a large-scale material and technical basis; strengthened the building of its contingent of workers and staff members; trial manufactured and turned out aircraft step by step in a planned way; completed the transition from repairs to manufacture; and started the attempt to make aircraft designs of its own.

During the same period, the first group of backbone enterprises of the aeronautical industry were set up, including manufacturing plants for aircraft, aeronautical engines, and aircraft-borne equipment. Starting in 1953, priority was given to the establishment of the Nanchang, and Shenyang Aircraft Plants which respectively manufactured piston trainers and jet fighters; and the Zhuzhou, and Shenyang Aeronautical Engine Plants. From 1956, the focus shifted to the establishment of plants turning out components, namely aircraft-borne equipment manufacturing plants, including aircraft and aeronautical engine components plants in Xian; aeronautical appliance and wheel brake components plants in Xingping, Shaanxi; and an aeronautical instrument plant in Baoji.

In July 1954, Nanchang Aircraft Plant succeeded in trial manufacturing China's first Model-18 Yaks (Model-5 basic trainer [chu jiao wu 0443 2403 0063]). In September 1956, China's first type of jet fighter, the Model-5 fighter [jian wu 3005 0063], passed the state's acceptance tests. In a period of only five years from its start, China's aeronautical industry managed to enter the jet era, ranking among the few countries in the world which could manufacture jet planes. Not long after, Nanchang Aircraft Plant again succeeded in trial manufacturing China's first type of civil aircraft, Model-5 transport planes [yun wu 6663 0063]; while Harbin Aircraft Plant succeeded in trial manufacturing China's first type of helicopter, the Model-5 helicopter [zhi wu 4160 0063].

Upon mastering basic aircraft manufacturing technologies, China's aeronautical industry established scientific research institutions and set about studying and designing aircraft of its own. Model-1 jet fighter-trainers [jian jiao yi 3005 2403 0001] were the first of China's own design and manufacture, designed by the Shenyang Aircraft Plant's design office. This was followed by another success in the trial manufacture of Model-6

elementary trainers [chu jiao liu 0443 2403 0362], its design initially worked out by the aforementioned design office, and completed by Nanchang Aircraft Plant's design institute.

The period from 1961 to 1976 was the development phase for China's aeronautical industry.

The main task of this period was to produce modern aircraft of China's own design and manufacture. Focusing on this main task, China's aeronautical industry managed to completely base itself on home-made aeronautical equipment, and built up a fairly comprehensive production capacity. By mid 1970's, mainland China had already established an aeronautical industrial system with fairly complete categories.

During the period from the end of the 1950's to the beginning of the 60's, China's aeronautical industry met great difficulties and made little progress as a result of the discontinuation of technical assistance contracts by the Soviet Union as well as three years of natural calamities. In view of this situation, the CPC Central Committee and the State Council decided to carry out an eight-character principle of "readjustment, consolidation, replenishment, and enhancement," which brought about a new lease of life to aeronautical production. An aeronautical research institute and its affiliated professional design and scientific research institutes were set up first, followed by the establishment of a number of major testing grounds. Heartening progress was also made in the design and manufacture of new-type planes. China's history without tactical missiles was put to an end by its successes in the trial manufacture and production of Model-1 "Thunder" air-to-air missiles ["pi li" yi "7219 7225" 0001] in 1963; Model-1 "Red Flag" ground-to-air missiles ["hong qi" yi "4767 2475" 0001] in 1964; and Model-1 "Aiming High" rocket engines for ship-to-ship and ground-to-ground missiles ["shang you" yi "0006 3266" 0001] in 1966. The years 1964 and 1966 also saw successes in the trial manufacture of Model-1-A all-weather super- and subsonic fighters [jian wu jia 3005 0063 3946] and Model-7 high-altitude high-speed fighters [jian qi 3005 0003]. The initial design of Model-5 attack planes was also finalized in 1965, while Model-5 light bombers [hong wu 6575 0063] were put to trial flight in the same year. During the 16 years from 1961 to 1976, China added to its original range a number of new varieties, including helicopters, attack planes, bombers, and unmanned planes, with quality and performance further enhanced. China was also able to design and produce supporting engines and aircraft-borne equipment for all these new-type planes. By this time, with the ability to supply many kinds of aeronautical equipment, China's aeronautical industry had achieved initial results in its efforts to shift from imitations to self-design and manufacture.

During the period from 1977 to 1991, China's aeronautical industry entered a new development phase, marking the beginning of a quest to build an aeronautical industry with the Chinese characteristics.

In 1979, a responsible department of the aeronautical industry put forward an objective for struggle, that is, "to renew the old generation, design and manufacture a new generation, and make research on a future generation of planes." While carrying out the contracted management responsibility system, the aeronautical industry further proposed to shift from a single-military-product structure to one combining products for both military and civil uses; from imitations to self-design and manufacture; from domestic to both domestic and overseas sales; and from purely administrative management to an integration of both administrative and economic management. In addition, the department also proposed that breakthroughs be made in the design and manufacture of modern aircraft; in the production of civil goods; and in efforts to expand exports.

The period from 1979 until the present serves as one of the periods in the history of the Republic's aeronautical industry and saw the most successes in finalizing new designs, and improving and transforming old-type planes. In just over a decade great progress was also made in the design and manufacture of aeronautical engines and missiles.

To fill gaps in the aeronautical field, a number of newly developed planes were put into production, including the Model-5 unmanned reconnaissance planes [wu zhen wu 2477 0259 0063]; Model-6 electronic self-defense jamming planes [hong liu 6575 0362]; Model-8 maritime patrol planes [yun ba 6663 0360]; Model-K-8 basic trainers; as well as high-altitude mobile target drones, super-light planes, small-sized unmanned planes, and others. All these were followed by a number of new planes with higher quality and better performance, including Model-7-III [jian qi III 3005 0003 III] and 8-II [jian ba II 3005 0360 II] fighters; Model-8 large-sized helicopters [zhi ba 4160 0360]; and Model-7 fighter-trainers [jian jiao qi 3005 2403 0003]. Moreover, the number and variety of planes for export was also increased.

The Shift "From Military to Civil" and "From Domestic to Overseas"

Basically speaking, the Republic's aeronautical industry had always maintained a single-military-product structure for the more than two decades since its establishment. By 1978, the output value of civil goods only made up 6.5 percent of the total output value of the entire industry; and the output ratio between military and civil aircraft was 95:5. From the beginning of the 1980's in particular, the industry suffered from extremely poor economic efficiency due to a sharp drop in the production of military goods, and an underemployment of production capacity by enterprises.

Beginning in 1979, the aeronautical industry started to make use of surplus production capacity to promote the production of civil goods. In 1986, aeronautical industrial departments changed the guiding ideology in production from that of "combining the production of military and civil goods while relying mainly on the former," which was used during the period of combat

readiness; to that of "combining the production of military and civil goods while relying mainly on the latter," which suits the needs of peacetime. As a result, the output value of civil goods accounted for 61.2 percent of the total industrial output value of the entire industry in 1986 alone, and has been taking an upward trend ever since.

The civil goods developed by the aeronautical industry have preserved the basic high-tech characteristics of the industry itself. In addition to turning out civil planes such as Model-11, 12, 7-100, 12-II, and 8 transportation planes, as well as Model-9 helicopters, the aeronautical industry has not only provided special equipment and instruments, and set up production lines for nearly 30 industries including energy, light industry, food, and textiles to help them carry out technical innovation; but also provided several thousand components and several hundred thousand spare parts for large-scale imported heavy-duty trucks and imported of petroleum, chemistry, chemical fiber, and metallurgy installations. Moreover, over 3,000 varieties of marketable civil goods using similar technologies have been developed to meet market needs, including cars, aluminium templates, medical equipment, refrigerators, washing machines, and motorcycles.

This can be exemplified by the following: Shanyang Aircraft Manufacturing Company, which used to be the first of its kind, has turned out several thousands of planes for the state over the past 40 years since its establishment. In recent years, while guaranteeing the production of military goods, the company has also taken a road of its own: To persistently open up multi-leveled products and give prominence to the superiority of its pillar products. At present, products developed by this company, such as buses, jeeps, aluminium templates, and floor outlets are enjoying good sales in domestic markets, and some of them have even entered international markets. The output value of civil goods from this company has been on the rise since 1979, from 2.5 million yuan in 1979 to 200 million yuan in 1990. In another example, Liming Engine Manufacturing Company in Shenyang has learnt from its practical experience in the production of civil goods over the previous several years that the development of civil goods should be based upon high-tech and high-efficiency products using similar technologies. As a result, beginning the year before last, the output value of this company has exceeded 200 million yuan, making up about 65 percent of its total output value of previous years.

The aeronautical industry basically completed the shift "from military to civil" in its product mix in the period from 1979 to some time around 1990 and at the same time, it also began to take steps in the direction of shifting "from domestic to overseas."

With the development of opening up, China's aeronautical industry has ended its 20-year isolation wherein the industry was completely cut off from the outside world, and has strengthened exchanges and cooperation with

foreign countries. At the beginning of 1979, the State Council granted the Ministry of Aeronautics and Astronautics Industry its approval on the establishment of the China National Aero-Technology Import and Export Corporation. This corporation has played an active role in invigorating the aeronautical industry, through organizing foreign trade and business, exporting Chinese products to world markets, and introducing foreign investment. The opening up of the aeronautical industry is mainly reflected in the following two ways:

1. A multi-channeled and diversified technical introduction and cooperation has been established. China has carried out technical cooperation with Britain, France, Federal Republic of Germany, Sweden, the United States, Japan, Italy, and Hong Kong; developed trade relations with Eastern Europe and the Soviet Union; and made contacts and exchanges with as many as 58 countries and regions throughout the world.

China's aeronautical industry has improved its maritime patrol planes and small-sized transportation planes with aircraft-borne wireless and navigation equipment imported from U.S. aircraft equipment companies; transformed its passenger planes in cooperation with aircraft companies in Hong Kong; and innovated its attack planes in collaboration with Italian aeronautical and astronautical companies. Transformation and innovation have not only helped to extend the uses of these planes, but have also increased their export volume. In addition, the aeronautical industry has also enhanced its own capacity in scientific research and experiments by selectively introducing large-scale computers and experimental equipment from industrial countries throughout the world.

2. Vigorous efforts have been taken to organize exports of aeronautical industrial products. Beginning in 1979, China has changed from its old practice of rendering assistance gratis on exported products since the end of the 1950's, to compensation trade. China's aeronautical industry focuses its export activity on aircraft, aeronautical engines, spare parts and components. China's Model-6, Model-7, and Model-7-M fighters, as well as Model-5-III attack planes have been enjoying good sales in international markets since 1980. While exporting completed aircraft, aeronautical engines, and spare parts and components China's aeronautical industry has also manufactured for export world-standard parts and components for some aircraft and aeronautical engine manufacturers in many countries, such as the United States, Canada, France, Britain, and Italy. While promoting the export of aeronautical products, China's aeronautical industry has also made vigorous efforts to step up the export of non-aeronautical products, providing diversified civil mechanical and electrical products to both domestic and overseas markets. Among these products, measuring and cutting tools, combined clamping apparatus, forgings and castings, and precision machine tools have been well received by both domestic and overseas customers. In 1990 the export volume of mechanical and electrical products reached \$200 million.

Making Concerted Efforts to Rejuvenate China's Aeronautical Industry

It is a subject of common concern for the Chinese Government and departments in the aeronautical industry as to how to rejuvenate China's aeronautical industry, maintain its momentum in high-tech development, and further strengthen its actual power after its 40 years of development?

In the 1990's, the world aeronautical science and technology is developing with each passing day, and various developed countries have vied with each other to work out development plans for their own aeronautical industries in accordance with such changes. China should closely follow the tracks of the development trends of world aeronautical science and technology, seize opportunities, and map out appropriate policies to help bring about stable and well-coordinated development to the aeronautical industry.

Some enterprises in the aeronautical industry have put forward the following suggestions: 1) Research and manufacture of major models in the aeronautical industry should be brought into line with the state high-tech development plan. To this end, it is necessary to allocate special funds, maintain a sufficient investment intensity, and ensure timely fulfillment of the research and manufacture plans of such major models, to enhance the performance level of our aeronautical products by a fairly large margin, and narrow the gap between our standards and those of the world's advanced ones. 2) Some improvement should be made to the state's management system of circulating funds. State financial departments should determine and allocate circulating funds to enterprises in accordance with tasks assigned to them, whereas enterprises may apply for bank credits to make up their deficiency in funds. 3) It is necessary to exempt the aeronautical industry from submitting energy and transportation foundation, and the state's budgetary regulatory funds, which are required of the war industry. In addition, efforts should be made to help the aeronautical industry open up new financial resources for new technological development. 4) Earnest efforts should be taken to implement tax-free policies on military products, and no levies involving the production of military goods should be imposed whatsoever.

As for the aeronautical industry itself, with the economic structure gradually shifting from a highly centralized and unified planned economy to a planned commodity economy, the industry should center the guiding ideology of its work around the enhancement of economic efficiency; adopt a scientific management method; and change its operational patterns from that "everybody eats from the same big pot" to a diversified contracted management responsibility system, and its enterprise management system from the production type to a production and operation type. Major steps should be taken to turn out a number of high-performance military planes and comfortable, economical, and safe civil planes in the 1990's, in

order to lay a solid foundation for the future development of China's aeronautical industry, so enabling the industry to enter the world ranks.

Military

Chi Haotian Speaks on Military Modernization

OW0505151091 Beijing XINHUA in English
1437 GMT 5 May 91

[Text] Nanjing, May 5 (XINHUA)—A senior Chinese officer has called for administrating the armed forces according to legislative guidelines.

General Chi Haotian, chief of the General Staff of the Chinese People's Liberation Army [PLA], was addressing a recent meeting on modernization of the country's armed forces.

According to the policies of the Central Military Committee [name as received], Chi said, the whole army must be trained and run strictly in accordance with the concerned laws and rules.

He stressed that only a disciplined and modernized army can face the challenges of future wars, which will be decided by an optimum combination of men and weapons.

The PLA should be built into a modernized army with Chinese characteristics, and that means improving its facilities by introducing advanced technologies as well upgrading the existing ones, he said.

Discontent Reportedly Rife in Military

HK0605040391 Hong Kong CHENG MING in Chinese
No 163, 1 May 91 pp 6-9

["Notes on the Northern Journey" by Lo Ping (5012 0393): "Old Generals Complain About Deng Delaying Improvement of Weapons, Equipment"]

[Text]

Everyone in the Military Has a Sense of Inferiority

The repercussion to an impact does not necessarily amount to another impact. Sometimes, it springs back to something irrelevant to the impact. This is true of the CPC military's repercussion to the impact of the Gulf war. The repercussion did not spring back to the Gulf war, but to Zhongnanhai and Deng Xiaoping.

In recent years, the CPC military has been full of complaints. Some time ago, the complaints were directed mainly at Yang Baibing. Now that the Gulf war is over, the complaints are directed mainly at Deng Xiaoping. Everyone in the military was dazzled by the show of U.S. military strength during the Gulf war and now has a sense of inferiority. They realize the important role of weapons in a war and feel that China is not a power in this respect, but a militarily backward country. Therefore, they complain: "It

is the military thought of Mao Zedong and Deng Xiaoping that has retarded improvement of our military equipment by several decades!"

"Whether in military equipment, information, or strategy, we lag far behind the United States, Britain, France, Germany, and the like."

"In many areas, our military capability lags behind Taiwan's!"

"If the United States joins hands with multinational troops to stop us from liberating Taiwan, what will we do?"

"The above-mentioned people think that since we possess atomic bombs and intercontinental rockets, we are totally safe from trouble and do not have to improve our conventional weapons or...."

It is reflected that such opinions are very popular within the military and have become a "consensus" among the officers and men.

Similar views were expressed at the recent National People's Congress [NPC] and Chinese People's Political Consultative Conference [CPPCC] sessions, although some were low-key.

China's Air Defense Capability Cannot Cope With the U.S. Air Force

"During the Gulf war, less than one out of 10,000 U.S. aircraft were brought down by Iraq's land-to-air missiles. This indicates that low-level air defense weapons do not count," said Nie Li, a military representative. This major general is Nie Rongzhen's daughter. What she did not say, however, was: Iraq's air defense weapons and systems are basically supplied by China. Nie Li's remarks indirectly mean that China's air defense capability cannot cope with the high-level capacity of an air force like that of the United States.

"U.S. Patriots succeeded in hitting almost all of Iraq's Scuds. The accuracy is closely bound with the use of large computers; we still have a long way to go before we can catch up in this aspect," said a National Defense and Technology University representative. He said: If we do not properly develop the electronics industry, national defense modernization will become empty talk.

Zhang Aiping's Criticism of Deng Xiaoping

At a group discussion, Zhang Min, member of the Shanghai NPC delegation, said in front Jiang Zemin, who attended the meeting to hear their opinions: "In the past, we did not pay enough attention to the electronics industry. Now, our integrated circuit industry is very backward and falls within the world's 10 most backward. China's integrated circuit production accounts for only 3 percent of the world's." It is said that Jiang Zemin flushed when he heard this because he once was minister of the electronics industry.

Nonetheless, those who have the most complaints are the old cadres and generals. It is said that several old generals, including Yang Dezhi and Zhang Aiping, said at internal meetings: "If our troops had paid attention to this several years ago, the situation would have been fundamentally different." Zhang Aiping even said that as early as 1988 he already was dissatisfied with the fact that Deng Xiaoping had asked the military to remain patient. Several years ago, he raised the questions of increasing military expenditures and carrying out exchanges and cooperation with the Soviet military, but he received no response and nobody said anything about it. It is said that during the last NPC meeting, Zhang Aiping also talked about the military question. The general thrust of Zhang's speech was: "What has the military done in the past 10 years? What has the military become despite the great parade in northern China, massive troop reductions, great change of cadres, and the fact that the troops share the state's difficulties everywhere and at all times?"

It is said that after hearing Zhang Aiping's remarks, many people even breathed a mouthful of cold air because his remarks obviously revealed his dissatisfaction with Deng Xiaoping's work in the Military Commission.

Yang Dezhi Said: "We Lag Behind by at Least 30 Years!"

At the NPC session, Qin Jiwei said: Our troops' weapons and equipment lag behind the United States by 20 years. However, Yang Dezhi added a number of years to the "20 years." After viewing documentaries on the Gulf war, he immediately wrote a letter to Jiang Zemin, asserting: "Compared with them (Western countries including the United States), we lag behind by at least 30 years!" Yang Dezhi also held that five weaknesses presently exist in the military: First, they are short of funds. Second, they are short of professional personnel. Third, they lack good training. Fourth, they lack advanced science. Fifth, they lack ideology. Yang Dezhi said, with mixed feelings: "We would rather look at the question more seriously than be conceited and have a narrow view!"

A person from the military disclosed that within the military, almost everyone, especially medium- and high-ranking officers, has such feelings. Everyone is worried about the military's future.

Old Cadres Are Dissatisfied With Deng's Putting the Yang Family in Important Positions

This military person said: When the Gulf war was over, it was not accidental at all that almost everyone in the CPC military suddenly harbored such complaints. It is the expression of a number of old cadres' prolonged dissatisfaction with Deng Xiaoping. Such dissatisfaction is, of course, has many aspects, not just one. An important aspect is that Deng Xiaoping has put the Yang family in important positions and that he has allowed Yang Baibing to make major personnel changes. This friend, who is at the divisional level, said: "The PLA General Staff Department's Third Department is highly

professional. However, in recent years, departmental level cadres have been changed several times. Last October, its former vice director was replaced by a vice commander of a Chengdu Military Region group army. The first words he said when he assumed the post were: "First, I willingly accepted the Military Commission's transfer. Second, I am a stranger to the third section's business and have to learn from experienced people. Third, you and I will resolutely complete the tasks entrusted to us by our seniors and the Military Commission." One of his seniors grumbled: "I heard people say that he and Yang Baibing come from the same hometown. He even has some special relations with him."

Israel and Egypt Ask Beijing To Cancel Arms Supplies Contracts

Many old cadres within the military are very dissatisfied with the "favoritism." They said: The CPC repeatedly stresses stability. In fact, the cadre contingent is the most unstable. Military cadres, in particular, are changed too frequently. Why do they not stop it!

However, the hot topic of discussion in the military is the question of the military's backward capabilities, which is the cause for the complaints. An unconfirmed piece of information spread from the General Logistics Department: Since the backwardness of China's weapons was completely revealed in the Gulf war, Israel, Egypt and some other countries have asked China to cancel some arms supply contracts. Pakistan has asked for revision of some contracts. When the news spread to the military, people there had one more complaint, compelling Deng Xiaoping, who is quite sensitive politically, to deal conscientiously with the matter.

PLA Discipline Inspection Commission Strictly Forbids Criticism of Deng Xiaoping

As early as the second half of February, when Deng Xiaoping was stunned to clearly see Saddam Husayn's defeat, he called Jiang Zemin, Yang Shangkun, Li Peng, Liu Huaqing, and others to a meeting. During their conversation, they mentioned three things, the gist of which was: First, no matter how short of funds we are, we must set aside some money for the military. Second, it is necessary to win the Soviet Union's friendship and use it. Third, do not put complete trust in weapons or neglect their importance, but use the troops' advantages. Some people in the military thought that Deng Xiaoping's three instructions showed that he was beginning to realize the importance of weapons in modern warfare and that he already had a premonition that the military would impact on his military thought.

As the impact on Deng took shape, Jiang, Yang, and Deng called the leaders of the major military regions and large military units to Beijing, Zhongnanhai, or their houses to listen to their reports, give them instructions, and pacify them. The PLA Discipline Inspection Commission even issued this instruction: "Since Comrade Deng Xiaoping took charge of the Military Commission, our army's building has entered a new historical period.

PLA discipline inspection departments should watch out for those who attack Chairman Mao and Comrade Deng Xiaoping's thought on troop building and should treat such questions as political issues!"

Deng "Puts Out the Fire" Himself; Military Commission Stresses Curbing the "Change"

As Deng Xiaoping was "putting out the fire" himself, the Central Military Commission held several meetings to reexamine some past measures and admitted that the three armed services' weapons and telecommunications equipment are far more backward than those of the United States. The Central Military Commission maintained that there are several outstanding weaknesses in air defense: First, information comes slowly and late, and the telecommunications network and equipment are outdated. Second, the military's air defense concept remains the same as in the 1950's and 1960's. Third, air defense units lack professional personnel. Moreover, the Military Commission emphasized the need to curb the "change."

The "change" means that many cadres and warriors in the military are beginning to doubt Mao Zedong's and Deng Xiaoping's military thought, while they are beginning to admire the United States and to advocate the good points of modern weapons. The Military Commission stressed the need to curb the "change" because it seeks to avoid a great dispute or criticism, to carry out positive education, and to be mild and practical. Being mild means strengthening ideological and political work and carrying out positive education among cadres and warriors. Being practical means upgrading weapons and improving military research by pooling financial and material resources and manpower.

Hurriedly Give Three Instructions for Fear That the Contradictions Will Intensify

At the end of March, the General Political Department made a demand on the leading organs of all units: First, it is necessary to reiterate the party's stand and policy toward the Gulf war. Second, it is necessary to prevent incorrect and unscientific attacks from causing ideological confusion among the troops. Third, it is necessary to resolutely implement Mao Zedong's thought and line on army building.

In order to avoid the intensification of contradictions and adverse influence, Yang Shangkun gave three instructions: Insist on carrying out positive education among cadres and warriors. Second, except for an extremely small number of people who make trouble within the troops on various excuses, the majority have a problem with ideological understanding. Third, use the PLA's advantage in carrying out political work. According to Yang Shangkun's instructions, JIEFANGJUN BAO and the General Political Department have decided to carry out troop ideological education activities so as to vigorously promote the PLA's great developments since Deng Xiaoping took charge of the Military Committee's work. Yang Baibing also gave this instruction: Our achievements must be mentioned.

Let cadres and warriors mention them themselves and let them educate themselves.

A Series of Measures To Pacify the Troops

In addition, in order to pacify the troops, the CPC Central Committee and Central Military Commission worked out a series of measures or decisions, such as improving the living conditions of high-ranking officers and paying attention to the opinions of old comrades. Moreover, it is necessary to make additional investments in such areas as key national defense facilities, the renewal and upgrading of weapons, the research and development of new combat aircraft and warships, and strengthening air defense and telecommunications. The Central Military Commission regards the strengthening of air defense as an important strategic task, has set aside a large amount of "special funds," and has instructed air defense units to start with their own training. It is preparing to set up academies for air defense soldiers. In the meantime, it has sent to the troops a number of documentaries about the Persian Gulf war, demanding that everyone watch them, including those who have skipped the documentaries. Moreover, each company held meetings to discuss the topic: "If the U.S. bombs had been dropped on us, what would we have done?"

Nie Rongzhen Writes to Jiang Zemin, Suggesting That Military Expenditure Be Increased

Nie Rongzhen also dropped a line to Jiang Zemin, suggesting that funds for military research be increased. This old marshal has been involved in the development of national defense technology for a long time, and his daughter is currently vice minister of the Commission of Science, Technology, and Industry for National Defense, so his opinion carries weight.

That is the background to the fact that this year, 3.47 billion yuan has been added to military spending.

Yang Shangkun told some leading cadres of the troops: The addition of 3 billion-odd yuan is a large national defense expenditure for the Eighth Five-Year Plan compared to the preceding 10 years, and the state has made its greatest efforts. It is obvious that Yang Shangkun made such remarks to respond to the complaints within the military and to put the troops at ease.

Officers Hold Different Views About Old-Fashioned Military Training

However, some high-ranking officers do not expect anything unusual from the 3.4 billion yuan. They said: If the 3.4 billion yuan is scattered and not used properly in major projects, it will be so "scattered" that it will seem like waste.

Many medium- and high-ranking cadres hold different views about military training.

In the middle of April, the Central Military Commission held a meeting on military training. The heads of combat

and military training departments, and responsible persons in charge of all military units from all military regions gathered at the General Staff Department reception house to discuss and explore questions regarding military training. Despite the fact that the Military Commission attached importance to the meeting and that Jiang Zemin and Yang Shangkun gave instructions for it (the drift of Jiang Zemin's instructions is "military training should be based on actual combat experiences so that the PLA will become a Great Wall of steel safeguarding the socialist motherland"), some old officers hold different views about the old-fashioned military training. A deputy director of the Nanjing Military Region's political department said: "Many of the past military training methods should be reformed because they are mere formalities. Since the big show of military skills before the Cultural Revolution, there have been more and more formalities and impractical exercises."

The Military Commission Has Made It a Priority Item To Modernize the Air Force

Information from within the troops says that in building up the troops in the future, the Central Military Commission has made it a priority item to strengthen the air force's modernization. Moreover, it plans to hold special meetings to study and discuss the question of military spending allocation. The order of allocation priorities, as decided by the Military Commission, is first, the air force; second, telecommunications; and third, the navy. A departmental cadre in the military disclosed that, in keeping with the instructions of the Military Commission's leaders, the navy party committee currently is holding an enlarged meeting to study and discuss the question of air force modernization. However, since there is a shortage of funds, it will be difficult to change the situation in air bases where equipment is old, components are in short supply, and so on.

Some air force officers are not very optimistic about the ability to enhance the air force's combat capability with the additional military spending. An air force person told my friend: "If our command system is subject to the enemy's electronic interference, what use would there be even if you had 100,000 aircraft! In the past, when developing aircraft, we concentrated all our attention on high speed and high altitude. If China were to fight a war, it would become a second Iraq!" What this officer meant was that money should be spent prudently and that if the 3.4 billion yuan is used indiscriminately, it will bring nothing good. Therefore, we can see that increased military expenditure cannot alleviate the military's sense of danger and cannot enhance the confidence of officers and men in Deng and Yang.

Yang Baibing Gives Instructions About Vigorously Launching "Positive Education"

Since Yang Baibing became director of the General Political Department, the entire PLA continually has strengthened "ideological and political work," meaning tightening ideological control over cadres and warriors.

At present, in order for the troops' "change" to be for the better, the Military Commission has commanded all units to vigorously carry out positive education. For example, the General Political Department has approved sending MINZU HUABAO [NATIONALITIES PICTORIAL] to companies as their basic reading material beginning this June. In order to mark "Army Day" on 1 August and the 70th anniversary of the party's founding, new copies of the 30 so-called "outstanding films," including "Fight North and South on Many Fronts," "Battle in the Underground Tunnel," "Shanggan Ridge," "Railroad Guerrilla," "Red Sun," and "The Story of Liubao," will be sent to each division so that cadres and warriors can receive "television education."

"Illegal Journals" Enter the Troops Through Various Channels

However, according to information disclosed by sources within the units, ordinary cadres and warriors are uninterested in "positive education" or even resist it in their thinking. Approved papers and magazines, such as RENMIN RIBAO, JIEFANGJUN BAO, ZHONGGUO QINGNIAN BAO, JIEFANGJUN HUABAO, and MINZU HUABAO, are not widely welcomed. On the contrary, some magazines considered "reactionary" are very popular. At present, more and more "illegal journals" are flowing into all units. In a cultural examination conducted by the CPC of the 11th regiment of an infantry division, nearly 800 copies of "illegal journals," "reactionary papers and magazines," and pornographic magazines were found, of which about 20-30 "reactionary journals" were published in Taiwan and Hong Kong. General Political Department leaders thought it a serious matter, and demanded that party organizations at all levels in the units strengthen positive education among cadres and warriors, as well as their leadership of the units' cultural life.

PLA Political Academy Instructors Question the Effectiveness of the "Learning From Lei Feng" Campaign

Another outstanding phenomenon of disobedience is the resistance to the campaign of learning from Lei Feng. Two PLA Political Academy instructors publicly suggested that the "relations between learning from Lei Feng and the PLA's modernization should be straightened out." They maintained that Lei Feng would be a good example for service and other occupations, but that if everyone in the PLA were to become Lei Feng, the PLA's combat capability would be weakened. After this message had spread, many cadres and warriors privately approved the instructors' opinion. Therefore, we know that the "learning from Lei Feng" campaign, the "first chapter" of the "positive education," has completely lost its appeal.

Judging from various kinds of information spreading from the troops, there are very many unstable factors in the military. Many officers have wavered in their confidence in the CPC and the leadership. Moreover, their

disobedient feelings are surging. The direct complaints about Deng Xiaoping under the impact of the Gulf war are only an outburst resulting from inevitable developments meeting accidental factors.

Economic & Agricultural

Li Peng Backs Stock Exchange Development

HK0705015791 Hong Kong SOUTH CHINA
MORNING POST in English 7 May 91 p 12

[By Willy Wo-lap Lam]

[Text] Prime Minister Mr Li Peng has given the clearest signal to date of his backing for the development of stock exchanges.

The vice-mayors of Shanghai and Shenzhen were in Beijing to hold talks with officials from the People's Bank of China and the State Commission for Restructuring the Economy on ways to expand and regulate stock exchanges.

These two cities are the only ones in China that have reasonably-sized exchanges. The others, including those in Shenyang, are merely outlets for buying and selling bonds.

A dispatch by the semi-official Hong Kong China News Agency (HCNA) yesterday said "this reporting session (by the two vice-mayors) was held according to the ideas of Premier Li".

Generally known for his advocacy of central planning, Mr Li is a very late convert to the virtues of the stock system.

Stock companies and exchanges did not figure in a significant way in the Eighth Five-Year Plan and the Ten-Year Economic Blueprint for the 1990s, which were drafted late last year under Mr Li's auspices.

That Mr Li is devoting so much attention to the stock system—first proposed by ousted party chief Mr Zhao Ziyang—is a sign that the conservative wing of the party is under pressure to speed up reform in order to reactivate the economy.

In their meetings with the bank and the state commission, the two vice-mayors lobbied for a larger stock exchange and further liberalisation of the economy.

They said that because some cadres still associated the stock system with "capitalism", they were running political risks by organising the stock exchanges.

Moreover, the volumes of the two stock exchanges were so small that meaningful regulatory measures could not be undertaken.

For example, only five stocks are listed on the Shenzhen bourse. And to avoid speculation, the authorities have to set strict ceilings beyond which prices cannot fluctuate.

Thirdly, China has no laws to protect parties that issue as well as invest in stocks.

Officials from these two cities urged Beijing to give them more autonomy in experimenting with the stock system.

In particular, the number of companies allowed to issue stocks—and the amount involved—must be boosted.

Chinese sources said Beijing, which had insisted on the "primacy of the socialist economy", had wanted to limit the scale of the stock economy.

For example, while the Shanghai bourse had had the full blessing of Beijing, the Shenzhen facility was opened earlier this year in spite of the reservations of the central Government.

Moreover, the People's Bank of China keeps a tight rein on matters including which state institution can float stocks.

Analysts say Mr Li has come under pressure from senior leader Mr Deng Xiaoping, who after a tour of Shanghai earlier this year, has spoken out on the need for radical financial reform.

Song Ping on Combining Market, Planning

OW0705083991 Beijing XINHUA in English
0547 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Song Ping, a senior Communist Party leader, has called for further efforts to probe the most effective method for combining the planned economy with market regulation.

Song is a member of the Standing Committee of the Political Bureau of Central Committee of the Communist Party of China (CPC).

The senior leader said that a combination of the planned economy with market regulation, and efforts to promote sustained, stable and coordinated development of the national economy constitute important aspects of China's goal to build socialism with Chinese characteristics.

Song, speaking Monday at the closing session of second conference of the China Planning Society, which was founded in 1984, urged Chinese planners, and personnel who engage in theoretical planning research, to do more to develop planning economics and a managerial system for planning with Chinese characteristics. The aim of the practice of combining the planned economy with market regulation is to maintain proportionate development of the national economy, ensure rational allocation of resources and regulate income distribution, while at the same time invigorating the economy through market regulation.

The practice is in line with China's actual conditions and reflects the essence and the basic characteristics of China's socialist planned commodity economy, he added.

"We should analyze new situations, solve new problems and master the law of economic development," Song said.

Yao Yilin Convenes Conference on Price Reforms

OW0405131791 Beijing XINHUA in English
1225 GMT 4 May 91

[Text] Beijing, May 4 (XINHUA)—China's Acting Premier Yao Yilin convened a conference today to hear reports from the Ministry of Commerce and the State Administration of Commodity Prices concerning price adjustments for grain and oil.

Participants in the conference agreed that the price adjustments for grain and oil, which became effective on May 1, are one of the most important steps taken in the reform efforts of the past 20 years. Price adjustments will play an important role in promoting China's economic reform as a whole.

Governments in various localities and staff workers in the different grain and commerce departments contributed a great deal to ensure the success of the price adjustments, according to information released at the conference.

The price adjustment plan enjoyed the understanding and support of the broad masses of the people, and now the prices remain stable and the society remains in good order.

Participants in the conference called on governments at all levels, as well as on all related departments, to continue implementation of the State Council resolution regarding price adjustments for grain and oil.

Ren Jianxin Urges Press on Economic Crimes

OW0705052491 Beijing XINHUA Domestic Service
in Chinese 1009 GMT 6 May 91

[By XINHUA reporters Peng Shujie (1756 2885 2638) and Liu Siyang (0491 1835 2254)]

[Text] Nanjing, 6 May (XINHUA)—Ren Jianxin, president of the Supreme People's Court today called on the people's court at all levels to strengthen the trials of economic cases, and work hard to implement the guidelines of the 10-Year Development Program and the Eighth Five-Year Plan.

Ren Jianxin made the call at the second national conference on the trial of economic cases held in Nanjing.

According to sources, the number of cases involving economic disputes handled by the people's court at all levels throughout the nation, has increased markedly year after year since the holding of the first national conference on the trial of economic cases in 1984. In 1989, a total of 690,756 cases were reported and the amount of claims involved in cases concluded totaled 25.1 billion yuan, respectively 15 times and 20 times that of 1983. The reform and rectification drive achieved significant effects in 1990, although the number of cases reported has dropped somewhat, it still reached a total of 588,143 cases.

Ren Jianxin stressed that as the economy becomes more developed, the reform deeper, opening to the outside world

wider, and the planned commodity economy more mature, the need to perfect the legal system to bring all economic activities into a legal framework becomes stronger.

Ren Jianxin said: The people's court at all levels should promote reform and rectification; overcome the phenomenon of economic disorder in the circulation field; ensure the development and improvement of commodities, capital, technology, and labor markets; promote the establishment of and the perfection of the new economic system and its working mechanism which incorporates planned economy and the market system, through the handling of cases pertaining to economic disputes in the circulation field. They should strive to improve economic efficiency, stimulate the continuous deepening of the economic system reform through the handling of cases pertaining to enterprises' disputes in the contract responsibility system, leasing, and joint ventures; as well as contract responsibility agreement disputes in the rural areas. And also to expand opening to the outside world; promote economic and trade cooperation and development with foreign countries, Hong Kong, Taiwan and Macao; and through the handling of economic disputes, cases involving foreign countries, Hong Kong, Taiwan, and Macao.

Ren Jianxin hoped that the people's court at all levels will fully appreciate the important position of the handling of economic cases, and the effect it has on the realization of the 10-Year Development Program and the Eighth Five-Year Plan in the new era of history; and work hard to improve law enforcement activities, to improve overall law enforcement quality, and to establish and perfect a system for the trying of economic cases which is suitable to meeting the requirement for the development of a socialist planned commodity economy.

Hua Liankui, vice president of the People's Supreme Court made a report on "bringing the function of the handling of economic cases into play, to ensure the smooth implementation of the 10-Year Development Program and the Eighth Five-Year Plan" at the meeting. He stressed that in the next few years, economic trials work must center on economic construction to handle all economic disputed cases fairly in accordance with the law; to protect the state's interests, and the legal economic rights of the citizens, legal persona, and other organizations; to safeguard the order of the socialist planned commodities economy; and to ensure the smooth implementation of the reform and open policy, in order to facilitate the smooth implementation of the guidelines for the 10-Year Development Program and the Eighth Five-Year Plan.

Some 200 comrades responsible for the handling of economic cases from the court system throughout the nation attended the conference.

Ministry To Provide Funds to Chemical Firms

OW0705080691 Beijing XINHUA in English
0312 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—The Ministry of Finance has decided to provide 200 million yuan (about 38.46 million U.S. dollars) in loans this year to 195 small-sized chemical fertilizer factories in a bid to support their energy saving technical renovation programs, according to the Beijing-based paper "CHINA CHEMICAL INDUSTRY NEWS".

The money indicates the state's determination to update the technology level of the country's some 2,000 small-sized chemical fertilizer factories, it said.

The factories were developed with China's own technology in the late 1950s and the majority of them are still running with outdated technology and consume a large amount of energy each year.

However, they have been playing a very important role in China's drive to increase agricultural harvests over the past three decades.

Last year, those factories produced 56.4 percent of China's total 90.72 million tons of chemical fertilizers, the paper said.

But almost all of their products are low-efficient nitrogenous fertilizers.

To change these conditions, the Ministry of Chemical Industry several years ago started a technical renovation experiment in some factories to turn them from producing low-efficient nitrogenous fertilizer to urea, a high-efficient fertilizer badly needed by farmers.

The Ministry of Chemical Industry has decided to vigorously carry out the energy saving and technical updating renovation program in the Eighth Five-Year Plan period (1991-95) in order to raise their efficiency.

Grassland Construction, Industry Progress

OW0605063791 Beijing XINHUA Domestic Service
in Chinese 0148 GMT 5 May 91

[By reporter Lin Hongmei (2651 4767 2734)]

[Text] Beijing, 5 May (XINHUA)—China made great strides in grassland construction over the past decade, during which the grassland industry became a new sector in present-day Chinese society's economy.

China has 6 billion mu of grassland. This represents 40 percent of national territory, and four times the total area of farmland. During the 1980's, relevant state departments made tremendous progress in many fields while working to establish a grassland industry and to gradually strengthen grassland construction.

—They instituted a modern legal system for grassland management. The establishment of such a legal system helped China to initially overcome its chronic "lack of

relevant laws" and its "failure to outlaw grassland destruction." Eleven provinces and autonomous regions enacted detailed rules for enforcing the "Grassland Law," or regulations on grassland management, after the "Law of the People's Republic of China on Grassland" was promulgated in 1985. A total of 686 supervision and management stations at the provincial, prefectural, and county levels, manned by over 10,000 people, were built throughout the country. Various provinces and autonomous regions launched extensive activities to enforce relevant laws by cracking down on illegal reclamation and destruction of grassland.

—They implemented a responsibility system for contracting grassland under public ownership and for carrying out livestock farming on grassland of individual domestic animal breeders. According to preliminary statistics released by 19 provinces and autonomous regions, pastures currently operated under various contract systems account for 42 percent of utilizable grassland. The long-standing practice of eating from "the same big pot" with regard to grassland utilization was discarded, and the linkage of grassland management, construction, and utilization with herders' rights, obligations, and interests helped to fire up herders' enthusiasm for building grassland.

—They made further efforts to develop grassland construction. As of the end of 1990, there were 163.5 million mu of artificially grown grass and improved grassland, and 94.64 million mu of enclosed grassland, throughout the nation. These respectively represented 3.4- and about 3-fold increases from 1979. Over 500 million mu of grassland was rid of rodents and insect pests, and areas infested with such pests declined by 40 percent from the 1970's. Eight grassland nature preserves were established nationwide.

—They made further efforts to develop the construction of grassland technological bases. A total of 127 forage grass bases and 14 forage grass inspection centers at the ministerial and provincial levels were established across the nation. The country mastered the fundamental law governing aerial sowing, management, and protection of different types of pastureland, and established a pest prevention and control system comprising 121 pest monitoring and reporting stations. Special agencies and professional bodies in charge of investigating grassland resources were created throughout the nation.

—They launched pilot projects on overall development of grassland livestock farming. Over 60 county-level test stations were set up in 21 provinces, and a total of 27 pilot projects were launched. These were useful explorations in China's drive to modernize its animal husbandry.

Grassland construction spurred nationwide growth in animal husbandry for 10 consecutive years. Compared to 1979, there were 1.03 head of cattle and 2.09 head of goats in 1990, which represented 45- and 20-percent increases. Output of beef and mutton, wool, and cow and goat milk respectively totaled 2.314 million tonnes,

240,000 tonnes, and 4.751 million tonnes, increasing by 2.8 fold, 45 percent, and 2.6 fold from 1979. Grassland

livestock farming is now playing an increasingly important role in the national economy.

Central-South Region

Xie Fei, Ye Xuanping Discuss Family Planning

HK0705053091 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 3 May 91

[Text] Yesterday evening, the provincial CPC Committee and government held a provincial telephone meeting on family planning work to relay and implement the spirit of a family planning work forum held by the CPC Central Committee and the State Council, and arrange for our province's family planning work in the summer. Vice Governor Lu Zhonghe presided over the telephone meeting. At the meeting, Governor Ye Xuanping relayed the main spirit of the 7 April family planning work forum held by the CPC Central Committee and the State Council.

Ye Xuanping said: To implement the spirit of the central authorities, our provincial CPC Committee and government have recently decided that in June this year a meeting of city and county leaders will be held to solve the problem that the number one men in the party and governments should personally handle family planning work. Our provincial CPC Committee and government will issue a decision on strengthening family planning work and readjusting and substantiating the Guangdong provincial leading group responsible for family planning work. We should implement a goal-directed management responsibility system in family planning work, and submit to the provincial People's Congress Standing Committee Guangdong's rules and regulations on family planning work for amendment and supplement. We should administer family planning work in accordance with the law and strengthen the building of the grass-roots family planning service network.

Provincial party Secretary Xie Fei also spoke at the meeting.

Xie Attends Railway Opening

HK0705045391 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 3 May 91

[Excerpt] Shanshui-Maoming Railway to which people in our province have been looking forward for nearly 100 years has been basically completed after three years of construction. To exploit its efficiency in advance, the railway is fully open to traffic as of today.

Railways Minister Li Senmao, provincial party Secretary Xie Fei, and provincial party deputy secretary and provincial Governor Ye Xuanping, and others cut the ribbon at the inauguration ceremony of the Shanshui-Maoming Railway.

(Xu Dehua), deputy secretary general of the State Council, read a message of congratulations from Vice Prime Minister Zou Jiahua. [passage omitted]

Rural Enterprises Boost Guangdong Economy

OW0705103691 Beijing XINHUA in English
0644 GMT 7 May 91

[Text] Beijing, May 7 (XINHUA)—Rural enterprises in south China's Guangdong Province exported products worth 12.7 billion yuan in 1990, up 20.9 percent over 1989.

Today's edition of ECONOMIC DAILY reported that the exports of rural enterprises during 1990 earned over 2.6 billion U.S. dollars.

Rural enterprises have developed rapidly in the province, and the number is now well over 1.1 million. Some 16,700 of the enterprises are export-oriented.

The rural enterprises have fixed assets valued at over 30.6 billion yuan and employed over 6.5 million workers, according to the newspaper. In the past five years alone, the enterprises have provided jobs for over 2.55 million people.

In 1990 rural enterprises accounted for 30.4 percent of Guangdong's industrial output value and 25.3 percent of its total exports.

Hainan Forms Legal Guide for Foreign Investors

HK0705051291 Beijing CHINA DAILY in English
7 May 91 p 2

[By staff reporter Huang Yiming]

[Text] Haikou—China's largest special economic zone put into effect its first regulation guiding foreign investment last Saturday, marking an important step toward "improving Hainan's legal system."

The Hainan Special Economic Zone Regulation on Foreign Investment, approved by the Standing Committee of the Hainan People's Congress in mid-April, will play an active role in further improving Hainan's investment climate and promoting implementation of the State's preferential policies for foreign investors, Governor Liu Jianfeng said.

The regulation, with 10 chapters and 57 articles, clearly stipulates the investment scopes the local government encourages or restricts, forms of investment, procedures and conditions for setting up a foreign-funded venture, preferential treatments and legal guarantees of an investor's right, foreign exchange control and the import and export of materials, he said.

The governor noted that the regulation encourages foreign businessmen to invest in industry, agriculture, communications and transportation, scientific and technological development, and in tourism on the island.

Foreign investors can, in the form of either setting up Sino-foreign equity joint ventures or contracted ventures, invest in infrastructure facilities, such as port, wharf, airport, highway, railway, power station, coal mining, and agricultural development projects.

The province also encourages foreign investors to develop complete pieces of land according to local government's strategic blueprint. Within the valid period, the investors can transfer and rent the developed land and even mortgage the land for bank loans, Liu said.

The regulation stipulates that foreign financial institutions can establish solely foreign-owned and Sino-foreign run branch banks in Hainan as well as other financial institutions, Liu said.

Foreign businessmen are allowed to explore and extract the island's mineral resources according to relevant regulations for exploration of resources.

Meanwhile, Liu said, the province will establish bonded areas after approval by the State Council and foreign-funded ventures, approved by the Chinese Customs, can set up bonded warehouses and factories.

The regulation also says that foreign-funded ventures engaged in production will enjoy a preferential income tax rate of 15 percent, which is among the lowest and less than half of the country's 33 percent income tax rate for foreign-funded ventures in China.

After being approved by the People's Bank of China and its Hainan provincial branch, foreign-funded ventures can issue financial bonds and shares, Liu said.

And all the articles in the regulation will be applicable to businessmen from Taiwan, Hong Kong and Macao, Liu added.

Hou Zongbin Extends May Day Greetings

HK0705071591 Zhengzhou Henan People's Radio Network in Mandarin 2200 GMT 1 May 91

[Excerpts] Yesterday, 1 May, marked the International Labor Day. [passage omitted]

At 0900 yesterday, provincial party and government leading comrades, including Hou Zongbin, Li Changchun, (Wu Jichuan), Lin Yinghai, Song Zhaosu, (Song Guocheng), and others, went in two groups to see staff and workers still holding fast to their respective work posts and working diligently during the holiday.

At a little past 0900, Hou Zongbin, (Wu Jichuan), Lin Yinghai, (Song Guocheng), and other leading comrades arrived at a food workshop of Zhengzhou Flour Mill and extended warm greetings to the workers working on the bread production line.

Provincial party committee Secretary Hou Zongbin firmly grasped the hands of section head (Gu Ruya) and said: The 1 May International Labor Day is a festival for all the working people throughout the world. In order to meet the needs of market and masses, you are still working on this holiday. This shows that the working class has taken the interests of the whole into account. The growing sales volume and a stable market over the past few days have indeed been inseparable from your

work. On behalf of the provincial party committee and the provincial government, I extend thanks to you all.

After arriving at Zhengzhou State Cotton Mill No. 3, Hou Zongbin and other leading comrades visited a number of workshops, asked the workers about their livelihood and work, inquired about the situation concerning workshop party organization building and technological transformation, and inspected a workers' canteen. [passage omitted]

Hou Zongbin repeatedly urged mill director (Yao Honggang) to exert his utmost to make his mill's technological transformation a complete success and conscientiously help the workers tackle problems in their daily life, such as housing problems, and so on. [passage omitted]

Hunan Enhances Ties With Neighboring Provinces

OW0605092291 Beijing XINHUA Domestic Service in Chinese 0130 GMT 2 May 91

[By reporter Yang Shanqing (2799 0810 3237)]

[Excerpts] Changsha, 2 May (XINHUA)—At the beginning of this year, Hunan Governor Chen Bangzhu led an 18-member delegation on a visit to Guangdong for more than 10 days. This was the third time since the implementation of the policies of reform and opening to the outside world that Hunan provincial party and government leaders visited Guangdong. It demonstrated once again Hunan's willingness to increase material interchange and economic ties with Guangdong. The gesture received warm response from Guangdong provincial leaders. Guangdong Governor Ye Xuanping noted: Under the new situation, it is essential for the two provinces to escalate their cooperative relations. Putting the two provinces' strong points together, we get the same result as combining those of three provinces, which is definitely very good.

"Free trade practices benefit the two provinces, but protectionism hurts them." The two provinces have learned this firsthand in recent years in their efforts to enliven the circulation of farm produce.

Hunan and Guangdong have increasingly enhanced their economic ties and cooperation since the Seventh Plenary Session of the 13th CPC, encouraged by the prospect that with all localities complementing each other with their strong points, dividing labor rationally, and coordinating their developments, the whole country will become a unified market.

Although Hunan is bordered by Hubei, Guangdong, Guangxi, Jiangxi, Guizhou, and Sichuan, it has the closest relationship with Guangdong. Through the ages, Hunan has been rich with natural resources, and Guangdong has had a good, effective market. The two provinces have depended on each other like lips and teeth. Since the implementation of the policies of reform and opening to the outside world, the economic cooperation between the two provinces has entered a new stage.

According to recent yearly statistics, Hunan each year ships 2 billion yuan worth of farm and sideline products as well as the same value of industrial raw materials to Guangdong, while 1 million people in Hunan go to work in Guangdong each year. In addition, Hunan invests more than 200 million yuan in joint enterprises in Shenzhen annually. On the other hand, Guangdong primarily supplies Hunan with tropical fruits and vegetables, urea, diesel oil, gasoline, foodstuffs, household electrical appliances, and iron ore. In Changsha City, for example, in the winter and spring seasons, about 20,000 kg of fresh pepper is sold in country fairs in the city daily. The majority of the fresh pepper comes from Guangdong. In recent years, although the interchange of materials between the two provinces has gone smoothly, there have been a small amount of friction, especially over the circulation of certain farm products that were in short supply in both provinces. One side would raise barriers, and the other side, as a countermeasure, would "leave the main road and take small alleys," or "conduct their business at night instead of in broad daylight." As circulation channels were blocked and, consequently, markets were affected, buying and selling goods became increasingly difficult. As a result, both producers and consumers were victimized.

"People learn from setbacks," and now comrades in Hunan know better. Sun Wensheng, deputy secretary of the provincial party committee, who is also in charge of the department of agriculture, visited Guangdong in last February. Upon his return, he declared on behalf of the provincial party committee at the provincial conference of administrative commissioners as well as heads of autonomous prefectures, cities, and counties: With the exception of food grain and edible oil ordered by the state, as well as of cotton, flue-cured tobacco, and silkworm cocoon, which come under the monopoly of the state, all localities in Hunan should, in principle, relax and simplify the procedures for the flow of all other materials to Guangdong, and facilitate their transport without raising any barriers.

Many facts prove that this measure is beneficial. [passage omitted]

In recent years, Hunan and Guangdong have opened doors to each other and developed lateral economic ties via various levels and channels. There are exchanges of materials, trade cooperation, joint purchases and sales, product shows, order-placing conferences, trade talks, economic and technological cooperation, and the interflow of labor. The cooperative contacts between the two provinces can be found between state-run enterprises, collective enterprises, individual operators, or private businesses. The two provinces make plans to allot their materials and negotiate purchases and sales, while farmers travel long distances to sell their products according to market demand and price changes. Last year, the Hunan Provincial Supply and Marketing Cooperative made 430 million yuan in cooperative operations with departments concerned in Guangdong and Shenzhen, which included setting up windows, conducting cooperative production and joint sales, as well

as supplying materials to each other. The cooperative purchased large quantities of foodstuffs and household electrical appliances from Guangdong, totaling more than 300 million yuan, and sold tea, lotus, day lily, and ramie to Guangdong, with a total amount of over 100 million yuan. Tea companies in Hunan alone exported more than 10,000 dan of Hunan tea via Guangdong last year. In January and March of this year, Hunan Province and Nande City held foreign economic talks and first exhibits of brand-name, special, fine-quality, and new products in Shenzhen, respectively. The province made \$320 million and 613 million yuan in transactions during the trade talks. What is more important is that the trade talks and product exhibit helped acquaint Guangdong and foreign countries with Hunan's products and enterprises.

Developing border trade is an important way to break up regional blockades and expand interprovincial exchanges. Hunan has so far formed a 3,000 km-long border trade belt with six neighboring provinces and autonomous regions, of which Hunan shares more than 500 km with Guangdong. At the beginning of this year, 36 border counties in Hunan expanded 200 country fairs, linking up ones that were originally scattered and extending operation sites. Presently, the province has a "light cavalry" of nearly 20,000 individual industrial and commercial operators and private enterprises who travel long distances to sell their goods along the border areas. In January and February of this year, border counties and cities in Hunan made more than 100 million yuan in trade with neighboring provinces and autonomous regions, three times that made in the same period of last year. Revenue generated from farmers' selling goods to Hubei, Jiangxi, and Guizhou amounted to over 3 million yuan. Outside merchants make up half of the traders at border trade fairs in Huaihua, a gateway to southwest China, and Changde, a gateway to Hubei. They help ship out and sell Hunan's pigs, fresh fish, and citrus fruits and bring in materials in short supply, thus helping border economies to flourish. Counties within the jurisdiction of Yueyang City have in recent years built more than 360 border markets in cooperation with adjoining counties in Hubei and Jiangxi. Farm and sideline products transacted in these markets amounted to 250 million yuan. They have also exchanged large quantities of local products and goods made by rural enterprises, thus alleviating the difficulties in selling goods.

Strengthening macroregulation, improving services, and providing various services for administrative and trade offices set up in Hunan by other provinces are also essential to ensuring that doors are open with other provinces. In recent years, 20 provinces, municipalities, and autonomous regions as well as three special economic zones have successively set up administrative and trade offices in Changsha, Hunan. In 1988, Changsha City Government issued the "Provisional Regulations Governing Offices Set Up in Changsha by Other Parts of the Country."

According to departments concerned, Hunan Province will soon put new opening measures into effect. For example, the province will designate Yueyang, a city

located on the Chang Jiang, as a key pilot area for opening to the outside world. From here, via the waterway down the Chang Jiang and out into the East China Sea, the province can strengthen economic and technological cooperation with Shanghai and take part in the development of Pudong. Also, with the Beijing-Guangzhou Railway, the province can continue to expand friendly contacts with Guangdong and other provinces and then march on to the outside world. It is foreseeable that Hunan will take bigger and firmer steps in its efforts to reform and open to the outside world in the next 50 years.

Northeast Region

Heilongjiang Science, Technology Congress

SK0705042591 Harbin Heilongjiang People's Radio Network in Mandarin 0900 GMT 6 May 91

[Excerpts] The fourth congress of the Heilongjiang Provincial Science and Technology Association concluded at Harbin's Beifang Building this afternoon after a two-day session. (Huang Wenhua) was elected chairman of the provincial science and technology association. The congress urged scientific and technical workers throughout the province to make contributions to facilitating scientific and technological progress, developing the province through application of science and technology, and implementing the Eighth Five-Year Plan.

During the congress, more than 600 delegates, who were also experts, heard and discussed a work report of the third committee of the provincial science and technology association given by (Yu Youtai), approved the constitution of the provincial science and technology association, and a letter of proposal to all the scientific and technical workers of the province, arranged the work for the science and technology association for the Eighth Five-Year Plan, and elected members of the fourth committee of the provincial science and technology association. Through secret ballot, they elected (Yu Youtai) as honorary chairman, and (Huang Wenhua) as chairman of the provincial science and technology association.

Party, government, and army leading comrades of the province who attended the congress were Sun Weiben, Shao Qihui, Wang Zhao, Zhou Wenhua, Ma Guoliang, Wang Haiyan, Chen Yunlin, Xie Yong, Zhang Xiangling, He Shoulun, Tian Fengshan and Qiu Jie. [passage omitted]

On behalf of the provincial party committee and government, Zhou Wenhua, deputy secretary of the provincial party committee, gave a speech at the congress. He said: The only way to develop our province is to firmly rely on scientific and technological progress. At the seventh session of the sixth provincial party committee, the provincial party committee, in view of the contradictions in our province's economic development, put forward the ideas for extricating the economy from the difficult situation. That is, we should take the road of rationally developing, comprehensively utilizing and processing resources to increase their

value; the road of integrating agriculture with animal husbandry, arranging farming and processing industry in line with the needs of foreign trade, and integrating the urban economy with the rural economy; the road of strengthening basic industries, transforming and reorganizing machinery and electronic industries, and developing the tertiary industry; and the road of developing the various sectors of the economy while keeping state backbone enterprises predominant. To turn these ideas into reality, we should rely on policies as well as science and technology. [passage omitted]

Zhou Wenhua emphasized: To rely on scientific and technological progress to develop the economy, we should apply scientific and technological progress to the entire process of the economy. Based on the guidelines of the seventh plenary session of the sixth provincial party committee, and the plans for developing the province through application of science and technology, the priorities of our province's future scientific and technological work are to use high and new-technologies to facilitate the technical transformation of traditional industries, and to raise the high-tech development level. To be specific, we should make efforts in four areas. First, we should be determined to organize forces to develop knowledge and technology-intensive industries, and strive to make our province's science and technology, and their products occupy a position steadily not only in domestic but in the world markets. Second, we should rely on science and technology to gradually carry out the technical transformation of traditional industrial enterprises, increase the technological content of the products of enterprises, and increase the competitive edges of the products of our products. Our province has the advantage in the machinery industry, and its traditional industries, which are of a consideration scale, constitute the pillar of the economy and the revenue of our province. Judging from the overall situation, however, the equipment of the traditional industries are rather outdated, and their technology and measures remain at the levels of the 1960's and 1970's. To adopt, develop, import, and assimilate modern science and technology, and use them to transform our traditional enterprises in a planned manner are a pressing task of our province's economic construction, and also a strategic priority of the endeavor to gear scientific research to the needs of economic construction. Third, we should improve the product quality of the labor-intensive enterprises, rely on our local resources to develop highly competitive products needed in the market, and promote the development of township enterprises and neighborhood enterprises. It is hoped that scientific research units and the vast number of scientific and technical workers will make contributions to the development of the township and neighborhood enterprises of our province through proper transfer of technological achievements, consulting service, and assistance in the development and transformation of products. Fourth, we should continue to popularize and develop the technology for agricultural production to further modernize agricultural production. [passage omitted]

Jilin Official Addresses Intellectuals Meeting

SK0505060991 Changchun Jilin Provincial Service
in Mandarin 2100 GMT 3 May 91

[Excerpts] On the afternoon of 3 May, the provincial report meeting on the voices of excellent intellectuals and [words indistinct] was ceremoniously held in Changchun. Attending the report meeting were leaders of the provincial party committee, the provincial advisory commission, the provincial government, the provincial committee of the Chinese People's Political Consultative Conference [CPPCC], and the provincial discipline inspection commission, including Zhang Fengqi, Du Qinglin, Gu Changchun, Ren Junjie, Luo Yuejia, and (Li Tonglin). Also attending the meeting were more than 1,000 cadres of the departments directly under the provincial authorities; responsible persons of large enterprises, institutions of higher learning, and scientific research institutes; and representatives of intellectuals.

The report meeting was presided over by Wu Yixia, vice governor of the province. Wang Jinshan, deputy director of the organizational department under the provincial party committee, first of all introduced the outstanding deeds of 12 members of the report team. [passage omitted]

Du Qinglin, deputy secretary of the provincial party committee, made a speech at the meeting. He said: The reports made by several comrades at this meeting have displayed the model deeds of excellent intellectuals in carrying out construction and reform. These reports have showed their utter devotion of serving the country and the people, thus giving us a vivid and specific lecture on patriotism and socialism. Their lofty spirit of ardently loving the motherland, being loyal to the people, being keen in making progress, and being ready to dedicate themselves to the country and the people has fully displayed the mental characteristics and the completely new style of our country's intellectuals of the present stage. They are worthy as excellent representatives of our province's intellectuals and are the pride of the people throughout the province. I hope that the people throughout the province, the vast numbers of intellectuals in particular, will consider them examples, learn from them, and carry forward their good ideas, good moral character, and good work style.

In his speech, Du Qinglin pointed out: The vast numbers of intellectuals should fully understand their historical duty under the new situation, should keep firmly in mind the glorious mission entrusted to them, should again foster the patriotic feeling and the will of dedicating themselves to the service of the country, and should further enhance their belief in socialism. In addition, they should firmly and unswervingly follow the road of integrating theory with practice and integrating themselves with workers and peasants; and should constantly remold their own subjective world while changing the objective world.

Du Qinglin called on party committees and governments at all levels to enhance their understanding to further

attend to the work of intellectuals. Du Qinglin said: Our province's ranks of intellectuals are under constant development and expansion. The number of professional technicians alone has reached 800,000 in our province. They are the major source of the province's intelligence as well as the major force on which we rely to invigorate agriculture, industry, and the province through science and technology. We must further enhance our understanding and make great efforts to achieve success in the work related to intellectuals.

Du Qinglin called on party committees and governments at all levels to profoundly implement the guidelines of Comrade Jiang Zemin's speech made at the 4 May rally and the guidelines of the notice of the CPC Central Committee on further strengthening and improving the work related to intellectuals; and to attend to the work of intellectuals in a down-to-earth manner by listing it as an important item on their daily agenda.

Jilin Congress Standing Committee Convenes

SK0605144391 Changchun Jilin People's Radio
Network in Mandarin 2100 GMT 4 May 91

[Text] The 22d Standing Committee meeting of the seventh provincial People's Congress opened on the afternoon of 4 May at the province's (Zhonghua) Guesthouse.

The items on the agenda of this meeting include: examining the draft decision of the provincial People's Congress Standing Committee with regard to profoundly conducting the propaganda and education of the legal system; examining and approving the regulations on the exercise of autonomy in Qian Gorge Mongol Autonomous County and in Changbai Korean Autonomous County; listening to the provincial government's report on the situation in readjusting the organizational structure of industrial enterprises throughout the province, the report on the situation in the province's foreign economic relations and trade, the report on the work of the provincial supply and marketing cooperatives, and the report on implementing the PRC's law on compulsory education; listening to the report of the provincial higher people's court on the situation in trying criminal cases committed by juveniles; and deciding some items concerning personnel appointments and removals.

At the meeting, (Sun Hongxiang), director of the provincial judicial department, made an explanation of the draft resolution of the provincial People's Congress Standing Committee on profoundly conducting propaganda and education of the legal system. Huo Mingguang, chairman of the provincial People's Congress Standing Committee, presided over the meeting. Attending the meeting were Cheng Shengsan, Cui Lin, Renqinzhamsu, Zhu Jinghang, Xu Yuancun, Chen Zhenkang, and Ke Muyun, vice chairmen of the provincial People's Congress Standing Committee; (Zhang Dianwu), secretary general; and some members, totaling 46 persons.

Attending the meeting as observers were Wang Yunkun, vice governor of the province; Li Xiangwu, chief procurator of the provincial people's procuratorate; and responsible person of the provincial higher people's court.

Work Reports Presented

SK0705041191 Changchun Jilin People's Radio Network in Mandarin 2100 GMT 6 May 91

[Text] On the morning of 6 May, the second plenary session of the 22d Standing Committee meeting of the seventh provincial People's Congress was held to hear three work reports of the provincial government.

(Jia Qingyun), deputy director of the provincial commission for restructuring the economy, said in the work report on readjusting the organizational structure of industrial enterprises: Over the past, our province has taken the organizational restructuring of enterprises as a strategic step for deepening the reform of the enterprise system, and has constantly attended to it. So far, the developmental trend of readjusting the organizational structure of enterprises is good. In 1991 and during the Eighth Five-Year Plan, we should focus the organizational restructuring of enterprises on enlivening large and medium-sized enterprises, fostering and developing a group of small, highly efficient enterprises, continuously perfecting and developing enterprise associations, and closely linking the organizational restructuring of enterprises with their technological transformation.

In the report on the work of foreign economic relations and trade, Li Jieche, chairman of the provincial economic and trade committee, analyzed the provincial current economic and trade work situation and pointed out the new problems for the province.

He said: The year 1991 is the first year of the foreign trade enterprises in the province carrying out the system of assuming sole responsibility for their profits or deficits. We should bridge over difficulties, welcome challenges, and strive to realize the 1991 economic and trade tasks. On the premise of assuming sole responsibility for profits or deficits, we should strive to expand the scale of exports, increase foreign exchange earnings, and strive to promote the foreign export trade work to a new level.

In the report on the work of supply and marketing cooperatives, Wang Qinyu, director of the provincial supply and marketing cooperative, said: The development of the rural commodity economy during the Seventh Five-Year Plan period made higher demands on the supply and marketing cooperatives. In particular, the circulation situation in which trade is engaged in many ways and hundreds of businessmen strive for markets presents a serious challenge and sharp competition to the supply and marketing cooperatives. Over the past years, supply and marketing cooperatives across the province have persisted in quality services, pioneered management, and played a role as a major channel for circulating the commodities in the rural areas; thus, helping promote the development of the rural commodity

economy and the flourishing and stability of the rural market. In the Eighth Five-Year Plan, the supply and marketing cooperatives across the province should continue to deepen the structural reform, vigorously pioneer markets in the rural areas, ceaselessly perfect serialized services, strive to enliven the circulation of the commodities in the rural areas, better organize themselves, try every possible means to upgrade their quality and economic results, and gradually embark on the path of self-improvement and self-development.

The meeting participants will devote one and a half days to examining and discussing these reports in groups.

Renqinzhamusu, vice chairman of the Standing Committee of the provincial People's Congress, chaired the meeting.

Jilin Economic Coordinated Zone's Development

SK0205023791 Changchun Jilin Provincial Service in Mandarin 2100 GMT 1 May 91

[Text] The Changbaishan economic coordinated region in Jilin Province has promoted the economic development of various cities and districts under its jurisdiction by actively conducting its internal exchanges of information, talented personnel, and materials.

The economic coordinated region located in southeast Jilin includes the cities of Jilin, Tonghua, and Hunjiang as well as Yanbian Autonomous Prefecture. It is abundant in natural resources because its mineral resources are various and forests are extremely dense. In 1988, 30 counties and cities in the region jointly established the coordination committee of the Changbaishan economic coordinated region; organized five enterprises associations and 11 business coordinated groups in the fields of chemical industry, carbon steel, ferroalloy, steel and iron, and of medicine and medicinal materials; and formulated the region's strategic plan of economic development. By taking the backbone enterprises as guidance, the economic coordinated region has adopted the measures of joint venture, stock sharing, and of associations established between higher educational institutions and enterprises to engage in the intensive and coordinated development of multiple variety products; and has scored better economic results and social benefits. The 36 medicine and medicinal materials productive units in the region always traveled around trading to the South and North on their own in the past. These counties and cities in the region jointly sponsored the north China trade fair of medicine and medicinal materials in 1989 and 1990 in Meihokou City which has convenient communications and provided more than 1,700 categories of famous, fine-quality, new, and special products. During the fairs, there were not only the traveling traders who came from 24 provinces and cities across the country to attend the trade talks but also those who came from foreign countries and regions in the world, including the United States and Hong Kong. The trade volume made at the fairs reached 130 million yuan. Over the past three

years, the economic coordinated region has accomplished 61 coordinated projects, scored 170 million yuan of output value, and realized more than 30 million yuan of profits and taxes.

Quan Shuren Attends 4 May Youth Day Rally

SK0405071991 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 3 May 91

[Excerpts] On the morning of 3 May, more than 1,000 youths of various nationalities from various fronts and circles of the province gathered at Shenyang Bayi Theater to celebrate the glorious holiday of their own—the 4 May Youth Day.

Among the provincial leading comrades present at the 3 May provincial rally marking the 72d anniversary of the 4 May Movement and commending the outstanding youths were Quan Shuren, Yue Qifeng, Sun Qi, Li Guozhong, Xu Wencai, Ge Xifan, Zhang Zhiyuan, Li Ming, and (Du Jiaxuan).

At 1400 in the afternoon, the rally opened amid the solemn playing of the national anthem. Luo Lin, deputy secretary of the provincial party committee, presided over the rally. Jin Dong, secretary of the provincial Communist Youth League [CYL] Committee, made a report entitled "Carrying Out the 4 May tradition, Being Determined To Render Service to the Motherland, and Dedicating One's Youth to the Fulfillment of the Eighth Five-Year Plan." [passage omitted]

Sun Qi, deputy secretary of the provincial party committee, said in his speech: By celebrating the glorious 4 May Youth Day, we mean to carry forward the glorious tradition of the 4 May Movement, and mobilize the youths of all nationalities on all circles in the province to work hard for fulfilling the second-step strategic goals of the 10-year program and the Eighth Five-Year Plan.

In his speech, Comrade Sun Qi set demands and expectations on the CYL organizations at all levels and on the vast number of youths throughout the province. He hoped that young friends would conscientiously study Marxism-Leninism, foster a correct political direction, master science and technology, enhance their determination to build the motherland, plunge into the social practice, follow a correct path of growth, work positively based on their posts, and [words indistinct].

Sun Qi said in conclusion: I believe that the broad masses of youths in the province will certainly persist in reform and open policy in a firm and unswerving manner, with the focus on economic construction, by following the road of building socialism with Chinese characteristics; and will rely on their own efforts, struggle arduously, carry forward the cause pioneered by our predecessors, and advance on the crest of victory with a new pose and a belief of bounding to victory, together with the people of all nationalities throughout the province.

Liaoning Reports Development in 1990 Rural Economy

SK0305021791 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 2 May 91

[Text] According to the latest statistical data provided by relevant departments of the province, the rural economy of our province showed substantial development last year. The total revenue from the rural economy of the province showed an 8.3 percent increase over the preceding year, and the net revenue showed an 11.8 percent increase. The per-capita income of peasants registered a growth rate of 15.3 percent.

Following the development of the rural economy, a great number of counties, townships, and villages with fairly high income have emerged. Seventeen, or 22.7 percent, of the 75 counties and districts of the province registered more than 1,000 yuan in the per-capita income of peasants. The number of the towns and townships whose annual revenue exceeded 100 million yuan totaled 100, of which 25 registered an annual revenue of more than 200 million yuan. The (Hongqi) Town of the Ganjingzi District of Dalian City ranked first among these towns and townships, with its industrial and agricultural output value totaling 529 million yuan last year. Meanwhile, the number of the poverty-stricken towns and townships whose per-capita income was less than 300 yuan declined from 302 in the preceding year to 104, a decline of 65.6 percent. Among the more than 15,000 administrative villages of the province, those whose per-capita income exceeded 1,000 yuan totaled 1,860, an increase of 40.3 percent over the preceding year. The (Jinjiang) Village of Donggou County ranked first among the villages, with the per-capita income reaching 13,537 yuan.

The statistical data also showed some problems meriting the attention of relevant departments. First, the expenses of the rural economy remained high, and thus the economic efficiency declined. Second, the development of township and village enterprises slowed down, and their net income dropped. Third, the management of village-level accounts was chaotic, and collective funds decreased.

Straits Exchange Foundation Group Visits**Liu Guangqian Urges Exchanges***OW0205130191 Beijing XINHUA in English
1238 GMT 2 May 91*

[Text] Beijing, May 2 (XINHUA)—“Foundation for Exchange Across the Taiwan Straits (FEATS)” in Taiwan province was urged here today to promote direct exchanges of mail and telecommunications between Taiwan and Chinese mainland.

Liu Guangqian, director of the Taiwan Affairs Office of the Ministry of Posts and Telecommunications, made the remark at a press briefing following a meeting between Song Zhiyuan, vice-minister of posts and telecommunications and the visiting group from Taiwan’s “FEATS”—a nongovernmental organization founded on November 21, 1990, aiming to help handle affairs concerning people-to-people exchanges between both sides of the Taiwan Straits.

Liu said the mainland voluntarily offered mail service to Taiwan in 1979, the first time between both sides in past three decades. By the end of 1990, 21 million mails, 4.7 million phone calls and 40,000 telegrams had been exchanged between the two sides.

The official pointed out: “So far, the exchange of mails and telecommunications between the two sides remains indirect. Both mails and telephone calls between the two sides have to be transmitted by the third party before they can reach their destinations.”

He revealed that the indirect service cost each side of Taiwan and the mainland posts and telecommunications departments an extra six million U.S. dollars for transmission services each year.

Because of indirect exchanges, the service quality can not be ensured and the variety of mails has been limited to ordinary mails only.

Liu noted that the mainland has no barrier at all for direct exchanges. He hopes “FEATS” will contribute to the direct exchanges.

The delegation of “FEATS”, which was headed by Chen Charng-ven, vice-chairman of its board of directors and secretary general, arrived in Beijing on April 28 for a week-long visit.

Meeting With Tang Shubei*OW0205150691 Beijing XINHUA in English
1451 GMT 2 May 91*

[Text] Beijing, May 2 (XINHUA)—Tang Shubei, vice-director of the State Council’s Taiwan Affairs Office, appealed here today that the Taiwan side should open direct exchange of trade, air, and shipping service between the two sides of the straits and cooperate with mainland departments to control and crack down smuggling.

Tang expressed the view today during his meeting with a delegation from Taiwan’s Foundation for Exchange Across the Taiwan Straits, which is headed by Chen Charng-ven [Chen Chang-wen].

Tang told the reporter that smuggling on Taiwan Straits has caused disputes and deaths, thus affecting the improvement of the relation between the two sides.

Tang said that the mainland border guards had seized 342 smuggling vessels since last year. More effective measures are to be taken.

The vice-director believes that lack of normal trade relations and air and shipping service is a main reason for the smuggling on the straits.

He said if direct trade exists, price difference of Taiwan and the mainland will be minimized, and so is the smuggling benefit, smuggling cases could be much less. [sentence as received]

Tang said a great deal of smuggling cases were done by Taiwanese. The mainland border guards had seized 123 smuggling vessels from Taiwan in 1990, and 29 in the first quarter of this year. Some smuggling cases were done cooperatively by mainland and Taiwan smugglers.

He said a coordinated effort made by both mainland and Taiwan is the fundamental solution of the smuggling issue.

Tang Views Talks*OW0505140391 Beijing in Mandarin to Taiwan
1500 GMT 3 May 91*

[Text] Tang Shubei, deputy director of the State Council’s Taiwan Affairs Office, briefed newsmen on 3 May on the meeting between Wang Zhaoguo, director of the State Council’s Taiwan Affairs Office, and Taiwan’s Chen Changwen and his party from the Foundation for Exchanges Across the Taiwan Strait on the same morning. Tang Shubei said that the meeting’s atmosphere was good. He said that as similar talks continue to be held between increasingly higher levels of parties’ representatives, more issues will be solved.

[Begin Tang recording] My general feeling is that the atmosphere of the meeting was very good. It was a cordial talk between us Chinese. Director Wang held that the visit achieved initial success. Success has also been achieved in promoting mutual understanding and consensus. We have exchanged views proceeding from the basis of one China, that Taiwan and mainland are a part of China, and that both sides should make efforts toward reunification.

Of course, the results of this exchange of views are preliminary. But it proves that as long as the two sides continue to hold talks, issues can be solved step by step. As the frequency of the talks increases and the level of the two parties’ representatives involved is heightened, more and more issues will be resolved. [end recording]

Tang Shubei briefed newsmen on Director Wang Zhaoguo's reiteration of the consistent principles and policies of the Chinese Government regarding a solution to the Taiwan issue. Talks between the two parties will avoid the sensitive issue of which is the central government and which is the local government.

[Begin Tang recording] We stand for a solution of the Taiwan issue in accordance with the principles of peaceful reunification and one country, two systems. Proceeding under the premise of one China, the mainland practices socialism, and Taiwan practices the system of its choice. The mainland will not impose its own system on Taiwan, nor should Taiwan attempt to impose its system on the mainland.

Reunification, under the principle of one China, would be accepted by people on both sides of the Taiwan Strait. We suggest that two parties hold negotiations on an equal basis in order to solve the issue regarding reunification.

The mainland is ruled by the Communist Party. Taiwan is now ruled by the Kuomintang. Negotiations between the two parties on an equal footing is the best way to solve the reunification issue. We hold that negotiations of this type will avoid the sensitive issue of which is the central authority and which is the local authority, a method more acceptable to the Taiwan authorities.

Of course, negotiations between the two parties does not mean neglecting the views of other parties and people. Director Wang quoted an important speech made by party General Secretary Jiang Zemin last 11 June, where he said: Before negotiations between the two parties, they can solicit opinions on reunification from other parties; they can invite representatives from other parties and organizations to participate in the negotiations; they can also listen to their opinions after the negotiations. Therefore, it will not affect in the least opinions of other parties and organizations. [end recording]

In his briefing, Tang Shubei discussed Director Wang Zhaoguo's reference to the mainland's proposals on direct mail, trade, air transport, and shipping services. The proposal is mainly intended to promote better exchanges, good will, understanding, and a consensus between the two sides. He does not want to see a politicization of the situation in which people on both sides of the strait would urgently demand a solution.

[Begin Tang recording] We feel that some people on Taiwan incorrectly think that it would be impossible and difficult for the mainland to realize its modernization program without funds and technology from Taiwan. Using this as a political tool is inappropriate. In carrying out reform and opening to the outside world, we rely principally on our own funds and our own efforts. At the same time, we welcome outside funds, including funds from Hong Kong, Macao, and Taiwan compatriots. Over the past decade, we have used external outside funds totalling some \$60 billion. According to recent statistics released by the Taiwan authorities, only \$600 million have come from Taiwan to the mainland. As this figure

is very small, it is not appropriate to treat this issue as a political one. Instead, both sides should bring their own advantages into play and complement one another. Taiwan has its advantages. The mainland has its advantages. Improved cooperation between the two sides will invigorate the Chinese nation. [end recording]

Regarding the visit of the Foundation for Exchanges Across the Taiwan Strait, Tang Shubei said that mainland attaches great importance to the role of exchanges sponsored by the foundation. It is hoped that the foundation will play a still greater role. The mainland also welcomes participation by other Taiwan groups and people in exchanges across the strait.

[Begin Tang recording] We attach great importance to the role of the Foundation for Exchanges Across the Taiwan Strait. We hope the Foundation for Exchanges Across the Taiwan Strait will play a still greater role.

Director Wang has welcomed other groups and people from Taiwan to take part in exchanges across the strait. This does not mean that we do not attach importance to the role of the Foundation for Exchanges Across the Taiwan Strait. Many friends have contributed to exchanges in the past. We will continue to maintain contacts with them.

We also note that the Taiwan authorities support some Taiwan groups. When these groups were established, responsible persons from the Taiwan authorities attended and greeted the establishment of those groups. We of course welcome their work on exchanges between the two sides of the Strait.

All in all, we welcome the Foundation for Exchanges Across the Taiwan Strait. It is hoped that the foundation will expand the bridge of exchanges and play a genuine role in realizing the three exchanges and commercial exchanges. We also welcome other groups and people from Taiwan continuously playing roles in this regard. [end recording]

Meeting With Wang Zhaoguo

HK0305132791 Beijing ZHONGGUO XINWEN SHE
in Chinese 0634 GMT 3 May 91

[Report by Lu Junjun (7120 8823 8823) and Tian Di (3944 0966): "Director Wang Zhaoguo Meets With Chen Chang-wen, Secretary General of the Taiwan Straits Exchange Foundation"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 3 May (ZHONGGUO XINWEN SHE)—Wang Zhaoguo, director of the State Council Taiwan Affairs Office, this morning met with Chen Chang-wen, secretary general of the Taiwan "Straits Exchange Foundation [SEF]," and some other foundation members, in the Great Hall of the People's Xinjiang Room.

To open the conversation, Director Wang Zhaoguo said: We are delighted to be with you today. You from the "Straits Exchange Foundation" are welcome here.

Wang told Mr. Chen, you have done a lot to promote the relations between the two shores of the Taiwan Strait, for example, the opening of the Jinmen talks and the settlement of the 9 March incident. You are the first "Straits Exchange Foundation" group to visit Beijing. I have heard that you have had successful and fruitful talks here in a fine atmosphere. The mass media on both sides of the strait have objectively appraised the talks. After all, you have taken the first step and made a good start. In the days to come, we count on the "Straits Exchange Foundation" and other channels for the promotion of relations between the two shores of the strait.

Mr. Chen Chang-wen said he had had a round of good talks with Deputy Director Tang Shubei.

Before the meeting, Director Wang Zhaoguo and Deputy Director Tang Shubei had a photo taken with all the visiting "Straits Exchange Foundation" members. After the meeting, Wang Zhaoguo gave a banquet in honor of Mr. Chen Chang-wen, secretary general of the "Straits Exchange Foundation;" and Chen Jung-chieh, deputy secretary general of the foundation.

Call for Transportation Links

OW0305100891 Beijing XINHUA in English
0958 GMT 3 May 91

[Text] Beijing, May 3 (XINHUA)—China's National Tourism Administration expressed here today that an early direct transportation between the mainland and Taiwan will benefit tourists at the two sides of the Taiwan Straits.

The expression was made by Cheng Wendong, deputy director of the administration, in a meeting with a visiting group from Taiwan's "Foundation for Exchanges Across the Taiwan Straits," a non-governmental organization.

Cheng said, "to open direct transportation between the two sides of the straits will benefit both sides economically, as well as make it easier for Taiwan compatriots who want to visit the mainland."

Since November 1987, when Taiwan began to allow people to visit the mainland, about two million Taiwan people have come to the mainland to visit their relatives or travel.

According to statistics, about 950,000 Taiwan people visited the mainland last year, and the number is expected to reach 1.2 million this year.

According to Cheng, tourism between the mainland and Taiwan is booming, thus playing an active role in increasing understanding.

However, the lack of direct mail exchanges, trade, and air and shipping services hampers the development of tourism, he noted.

Cheng said he hoped the Taiwan visitors would do more practical work to boost tourism between the two sides of the Taiwan Straits.

Meeting With Wu Xueqian

OW0405061191 Beijing XINHUA in English
0537 GMT 4 May 91

[Text] Beijing, May 4 (XINHUA)—Vice-Premier Wu Xueqian met Chen Changwen [Cheng-wen], vice-chairman of the board and secretary-general of Taiwan's "Foundation for Exchanges Across the Taiwan Straits," here today.

Present at the meeting were Director of the State Council's Taiwan Affairs Office Wang Zhaoguo, and Sun Xiaoyu and Tang Shubei, deputy directors of the office.

Delegation Views Visit, Departs

OW0505164991 Beijing in Mandarin to Taiwan
1500 GMT 4 May 91

[Interview with Chen Chang-wen, secretary general of Taiwan's Straits Exchange Foundation, by station reporters (Li Xiaoqi) and (He Duanduan) at Beijing airport—recorded]

[Text] A visiting group from the Taiwan Straits Exchange Foundation left Beijing on a Civil Aviation Administration of China flight at noon on 4 April. Before boarding the airplane, Mr. Chen Chang-wen was interviewed by our station reporters at the airport.

[(Li)] What was the purpose of your visit?

[Chen] The purpose of our visit was to establish a channel of communications to facilitate exchanges between the people across the Straits. So far, we have established such a channel to some extent. In order to do a good job in nongovernmental exchanges between the two sides in the future, we believe that with the coordination and arrangements of the mainland departments concerned, we have established preliminary contacts and exchanged views through the channel. I believe that the two sides should take a further step to enhance mutual understanding and work out detailed plans.

[(He)] What has impressed you the most during your visit, Mr. Chen?

[Chen] My deepest impression is that it seems we can make China even better, that we can build it even better.

[(He)] Have you felt a very strong desire for two-way exchanges [shuang xiang jiao liu] on the mainland side?

[Chen] Yes.

[(Li)] Can you tell us something about the prospects for two-way exchanges?

[Chen] As I have just mentioned, it is, of course, necessary to conduct two-way exchanges. As a Chinese saying goes, it is impolite not to reciprocate. We are still subject

to some restrictions set down by the law, but those restrictions are being lifted, however. So, I believe that something can be done in this regard.

[(Li)] Is there a timetable for this?

[Chen] To my understanding, it is strictly a legal question, and new legislation is being formulated. It will not take too long.

[(Li)] Thank you, Mr. Secretary General.

[Chen] I hope that you can come [to Taiwan] often.

[(Li)] By coming often, do you mean [words indistinct]?

[Chen] I hope that after the two-way exchanges begin, you will be among the first group of visitors to Taiwan. Your visit will be very welcome.

'Random Talk' Studies Reunification Guidelines

OW0405175591 Beijing in Mandarin to Taiwan
0205 GMT 29 Apr 91

["Talk" by Ming Liang; from the "Random Talks on Current Events" program]

[Excerpts] Listeners, the Taiwan authorities recently adopted, after repeated revisions, the National Reunification Guidelines. The guidelines contain some significant statements on opening direct postal, shipping, and commercial links, which people across the Strait have been looking forward to for quite some time; stepping up cross-strait exchanges; promoting exchanges of visits between senior personnel of the two sides; and achieving reunification through negotiations. The guidelines can be regarded, after all, as a document that goes along with the world trends.

As the supreme principles of Taiwan authorities's mainland policy, however, there is much to be desired. The guidelines advance the demand to not deny one another as political entities and call for respecting, not rejecting, one another in the international arena. Obviously, the objective is to pursue dual-recognition in diplomacy. In my opinion, such a viewpoint is absolutely unacceptable. The so-called dual-recognition will only lead to two Chinas or one China and one Taiwan, thereby perpetuating the separation across the Strait instead of facilitating reunification. This goes against the goal of national reunification as well as the fundamental interests of the Chinese nation. [passage omitted]

The guidelines also call for joint negotiations with the mainland on the great cause of the motherland's reunification in line with the principles of, as they put it, upholding political democracy, economic freedom, social equality, and nationalization of the armed forces. This seemingly impartial statement is nothing but a replay of the same old tune. Immediately after the announcement of the guidelines, the Taiwan authorities revealed what they really had in mind. Some big shots among the ruling authorities stated in public that the

objective of the Taiwan authorities is to peacefully change the mainland, to change the Chinese Communists' policy by gradually expanding cultural and economic exchanges. Political contacts will come last and reunification will be achieved in the end by way of building a democratic, free, and equally affluent China. It is, obviously, a replay of the old tune of reunifying China under the the Three Principles of the People. [passage omitted]

The time already is ripe for peaceful reunification. If the Taiwan authorities continue to put off a decision or shelve it for another day, they will only create more problems and will not be able to escape the blame that their indecision has brought calamity to the country and the people. On the other hand, if they open direct postal, trade, and navigational ties at an early date, step up cross-strait exchanges, start CPC-Kuomintang peace talks, and work together to accomplish the great cause of reunification, then they will have performed a great service for the nation, which will be remembered for a thousand generations to come. [passage omitted]

Taiwan To Open Port for Direct Navigation

HK0705063191 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1050 GMT 3 May 91

["Special contribution" by Li Xiaozhun (2621 1321 6150): "Taiwan Intends To Make Taizhong Port Special Port for Direct Navigation With Mainland"—ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 3 May (ZHONGGUO TONGXUN SHE)—In view of the increasingly close economic and trade ties between the two shores, particularly the entrepot trade which is expected to top \$5 billion this year, and practical demands, and also to plan ahead, the Taiwan Executive Yuan reportedly intends to make Taizhong Port a special port for direct navigation between the two shores.

According to the Taiwan's "Outline for National Unification," direct two-shore navigation was scheduled in the intermediate stage. But media on the island revealed that the Executive Yuan has taken over the study and planning of the "three communications" problem and is expected to produce a preliminary outline by late May. Local Taiwan governments are all now busy lobbying for designating their local ports as the special two-shore direct navigation port. However, the relevant plan has specified large handling capacity, complete and good tangible and intangible facilities and balanced regional development as the three main conditions. The one-time prospect for the special navigation port, Anping Port in Tainan which is situated relatively near the "golden triangle" south of Fujian, has been ruled out for lack of port facilities and the fact that its expansion remains in the planning stage and might not be completed in time to meet the urgent need. Taizhong Port, therefore, was

made the first choice for the future special direct navigation port as both its geographical location and port facilities are comparatively superior.

Taizhong Port now boasts 29 piers, of which about 10 are ordinary bulk cargo piers. The opinion here is that this fits in well with the need in the initial two-shore direct navigation stage, as mainland fleets are mainly comprised of ordinary bulk cargo vessels and not container ships. Furthermore, other Taiwan ports are nearing their capacity limits, except the Taizhong Port, which has a wide hinterland and large space for development. The Taizhong Port second-phase expansion project has been made part of the Taiwan's six-year construction plan, and construction is in full swing. The project will feature functions which may accommodate a future planned passenger terminal; and Taizhong Port is closer to the mainland coastal regions of Fujian and Guangdong. On balance, Taizhong Port has all the conditions to be a special two-shore direct navigation port.

There have been reports that the Taiwan Executive Yuan is planning to hold in the near future a special conference to study the feasibility of making Taizhong Port a special two-shore direct navigation port.

Commentary—Provisional Martial Law 'Inappropriate'

HK0505051091 Beijing ZHONGGUO XINWEN SHE
in Chinese 0742 GMT 4 May 91

[Commentary by reporter Fu Houmin (0265 0683 7044): "It Is Inappropriate for Taiwan Authorities To Implement 'Provisional Martial Law' on Jinmen, Mazu"]

[Text] Hong Kong 4 May (ZHONGGUO XINWEN SHE)—In the wake of Lee Teng-hui's statement on terminating "the period of mobilization for suppression of communist rebellion," which lasted for 43 years, and simultaneously abolishing the "Provincial Regulations for the Period of Mobilization for Suppression of Communist Rebellion," Taiwan's "Ministry of National Defense" should not have unexpectedly announced implementation of "provisional martial law" in Jinmen and Mazu area on 30 April.

Such practice of the Taiwan authorities has roused strong resentment and opposition from all circles on the island. Quite a few of Taiwan's "Legislative Yuan members" pointed out that this action resulted not only in continuation of military control over the people in the Jinmen and Mazu areas but also had bad effects on the relations between Taiwan and the Mainland.

Back on 15 July 1987, the Taiwan authorities announced lifting the martial law in Taiwan; however, the enforcement of martial law continued on Jinmen and Mazu. With the current abolition of the "Provisional Regulations for the Period of Mobilization for Suppression of Communist Rebellion," martial law in that area should cease to be effective, because the so-called "legal grounds" for implementing martial law in that area no longer exist. This being the case, the Taiwan authorities

have terminated "suppression of communist rebellion" on one hand; on the other, martial law is enforced. Such practice will, beyond doubt, continue to create grounds for turbulence.

In reality, the 40-some-year martial law enforced by the Taiwan authorities had long been scorned at and rejected by the people in Taiwan. Especially the people on Jinmen and Mazu, who have long been under military control, are deprived of many of their rights. Therefore, they oppose the continued implementation of martial law, while strongly demanding "Legislative Yuan members" to refrain from endorsing the relevant martial law. In criticism, a scholar stated that regarding the current situation on Jinmen and Mazu, the announcement of martial law was unnecessary. Such an action obviously showed that the authorities have excessively abused power in enforcing martial law."

It is universally known that the Mainland has exerted great efforts to relax Mainland-Taiwan relations, to create an auspicious atmosphere, and to insure people's livelihood on the two shores of the strait over the years. Back in 1979, the Mainland ceased to bombard Jinmen and Mazu; later it dissolved the Fujian Military Command. Again, on 22 April this year, it announced a halt in its propaganda aimed at Kuomintang officers and men stationed on Jinmen and Mazu through wired broadcast. All this has proved that the CPC is sincere in its wish to end hostility between Taiwan and the Mainland, and as good as its words.

In short, the Taiwan authorities are going against the will of people on the two shores and current actual conditions in enforcing provisional martial law while terminating the "suppression of communist rebellion." Under the circumstances of increasing non-government ties and contacts between Taiwan and the Mainland and growing demand for "establishment of transport, trade and postal relations" to realize the motherland's reunification, the Taiwan authorities should face reality, give up, and refrain from creating inappropriate decrees.

Haicang, Xinglin Investment Zones Growing

OW0205095091 Beijing XINHUA in English
0826 GMT 2 May 91

[Text] Xiamen, May 2 (XINHUA)—Construction of the Haicang and Xinglin investment zones for Taiwan businessmen are now underway in east China's Fujian Province.

Haicang, located to the southwest of Xiamen, an open coastal city, covers an area of 66.7 square kilometers. It was listed as an investment zone for Taiwan businessmen in May 1989.

To provide a favorable investment environment for Taiwanese businessmen, the local government extended great efforts to the construction of basic facilities.

At present, the first phase project of the construction of a residential area, covering 66 hectares, is under full

swing. Construction of a group of basic facilities involving irrigation and drainage, water and electricity supplies and communications, is expected to be finished by the end of June. Apartments with a combined total floor space of 250,000 square meters will be completed by the end of the year.

Meanwhile, a first grade highway from Haicang to Xin'an village in Xinglin is expected to open to traffic by the end of June.

The Xinglin Investment Zone for Taiwanese businessmen, with an area of 65 square kilometers, is closely connected with the Haicang Investment Zone.

In 1958, the Xiamen City Government built more than a dozen enterprises involving textiles, chemicals and sugar-making in Xinglin, making it one of the key industrial bases of Xiamen City.

In 1988, Xinglin's industrial output value accounted for 25 percent of Xiamen city's total.

To date, more than 500 Taiwanese businessmen have visited Xinglin and signed contracts regarding 68 investment projects, 24 of which have gone into official production.

A group of projects, including the expansion of the Xinglin water supply plant, a heating supply project with an investment of 13 million yuan, highways around the city, highways along the coast line and an overpass, are currently under construction.

Fujian Acting Governor on Exchanges With Taiwan

OW0705064991 Beijing XINHUA in English
0311 GMT 7 May 91

[Text] Fuzhou, May 7 (XINHUA)—East China's Fujian Province will strengthen exchanges with Taiwan during the 1990s, according to Jia Qinglin, acting governor of the province.

Jia said that in order to enhance the development of investment from Taiwan, the provincial authorities have instituted a number of measures including increasing the construction of basic facilities, providing better conditions for Taiwanese investors, and offering preferential treatment to them.

The governor stressed that the province will continue to develop exchanges with Taiwan in the fields of science and technology, culture, education, and sports and health.

Guangdong Leads in Attracting Taiwan Investments

OW0605022291 Beijing XINHUA in English
0203 GMT 6 May 91

[Text] Guangzhou, May 6 (XINHUA)—Southern China's Guangdong Province, one of the country's pioneers in opening to the outside world, has become the country's leading area to attract Taiwanese investment.

At present, 700 of the province's 940 Taiwanese-funded enterprises are in operation.

Dou Guichang, director of the province's newly-formed Advisory and Service Center for Taiwanese Investment, said that Guangdong has also initiated more than 500 projects of processing with Taiwan-supplied materials, patterns and pieces and of compensation trade with Taiwan.

Dou said that during the past few years the province saw a dramatic growth in Taiwanese investment, especially since the first Guangdong-Taiwan joint venture was established in October 1988.

Many Taiwanese-invested projects involve 12-year-long contracts, including long-term use of land, the planning, development and management of investment districts, and construction of materials bases, wharves and storage facilities.

Dou commented that this reflects that Taiwanese businessmen are confident in their investment in Guangdong Province.

The economic returns of many Taiwanese-funded enterprises was improved during the past few years, and their industrial structure continues to change from a labor intensive structure to a technical intensive one.

Taiwanese investment have spread from the coastal Zhujiang Delta to a number of inland counties including Zhaoqing, Qingyuan, Meixian and Shaoguan, Dou added.

Dou told XINHUA that the provincial government is making further efforts to improve the environment for Taiwanese investment by constructing systematic service facilities, simplifying administrative procedures, and perfecting related legal regulations.

The director also said that his advisory and service center is to providing help to Taiwanese investors who wish to invest in the province.

Hebei Press Conference on Taiwan Cooperation

SK0605034891 Shijiazhuang Hebei People's Radio
Network in Mandarin 2200 GMT 4 May 91

[Text] With sincere cooperation, common development, and prosperity of the motherland as the purpose, a meeting for Hebei Province to make public the projects on the economic and technological cooperation with Taiwan compatriots will be held in Xiamen of Fujian Province from 7 to 13 May. On the morning of 3 May, Ye Liansong, provincial vice governor, held a press conference in Xiamen to introduce, through the news media, our province's good investment climate created by its opening to the outside world and developing foreign economic and technological cooperation to the Taiwan compatriots on both sides of the Strait, and friends from various circles of the various countries of the world, and to express our province's sincere desire to develop economic and technological cooperation, scientific and technological exchanges, and trade on a wider scale.

The provincial government held its first meeting for Hebei Province and Taiwan compatriots to hold talks on economic exchanges in Qinhuangdao City in late July 1990. The meeting to be held in Xiamen is the continuation and development of last year's meeting. Provincial Vice Governor Ye Liansong introduced in detail Hebei's natural resources and geographical advantages, and its current situation in and long-range plans for economic development to the journalists present at the press conference. He also introduced the production and construction of the energy, transportation, telecommunications, and major raw material industries to be accelerated in the next 10 years in line with the characteristics of the province's economic structure, the priorities of economic development, such as active and effective use of foreign capital and faster technical transformation of the existing enterprises, and the provincial government's series of preferential policies to encourage investments from Taiwan compatriots.

Ye Liansong pointed out: Hebei and Taiwan compatriots have already created a good beginning for their economic and technological cooperation, and they can supplement and promote each other in many areas. Hebei and Fujian Provinces have also established good cooperative relations.

He emphasized: Strengthening economic cooperation between Hebei, Fujian and Taiwan will help the three parties better play their own economic advantages, and further promote their economic development.

(Wan Guoji), vice chairman of the provincial Planning and Economic Commission, introduced the province's 141 projects opened to Taiwan compatriots, which concern more than 10 industries, such as textile, machinery, electronic, light industrial, and medical production.

Zhejiang Governor Speaks on Work Toward Taiwan

OW0205150791 Hangzhou ZHEJIANG RIBAO
in Chinese 18 Apr 91 p 1

[Text] A provincial meeting on work towards Taiwan was held in Hangzhou from 15 April to 17 April. The meeting pointed out: To reunify the motherland and rejuvenate China is a major political task for the whole party and for the people across the country. In China's work towards Taiwan, Zhejiang Province holds an important position. We should continue to implement firmly the policy of "peaceful reunification and one country with two systems" formulated by the central authorities, actively increase exchanges between the two sides across the Taiwan Strait, step up economic work and trade with Taiwan, and make due contributions to accomplishing the peaceful reunification of the motherland at an early date.

Ge Hongsheng, deputy secretary of the provincial party committee and vice governor, attended and addressed the meeting.

The meeting analyzed the situation on both sides of the strait, summed up Zhejiang's work towards Taiwan during the last 10 years, and discussed and clearly defined the principles and tasks of our work towards Taiwan for a future period. The meeting held: Since the Third Plenary Session of the 11th CPC Central Committee, the policy of "peaceful reunification and one country with two systems" has struck deep roots in the hearts of the people, and great changes have taken place in the relations between the two sides. Long isolation from each other has ended; a large number of Taiwan compatriots have come to visit relatives, sightsee, and do business on the mainland; indirect "three links" have been established; nongovernmental exchanges in cultural, academic, sports, scientific and technological fields are increasing constantly; and contacts of a business nature have been made step by step. Under the guidance of the party Central Committee's principles of work towards Taiwan, Zhejiang Province has carried out multichannel, multiform, and multilevel work towards Taiwan. Since 1987, we have received 650,000 Taiwan compatriots who came to visit relatives, sightsee or do business in this province, as well as 8,300 Taiwan fishing boats and 45,000 Taiwan fishermen. Many Taiwan businessmen, through business surveys and talks, have deepened their understanding of Zhejiang's economic development and investment environment. Taiwan businessmen have made a good start in investing and running enterprises in Zhejiang. Indirect trade between the two sides has gradually developed, many Zhejiang products have entered the Taiwan market, and nongovernmental exchanges between Zhejiang and Taiwan are increasing day by day.

The meeting pointed out: Zhejiang and Taiwan, separated by only a strait, are close to each other both geographically and in the people's relations. In the past, the two maintained a close relationship in economic cooperation and cultural exchanges. We should play an even greater role today in promoting the peaceful reunification of the motherland. We should continue to hold aloft the banner of patriotism, firmly implement the general policy of peaceful reunification and "one country with two systems," and step up work towards Taiwan. We should actively attract Taiwan investors, run Taiwan-businessman-owned enterprises well, and bring the economic relations between the two sides closer in accordance with the principle of mutual benefit, mutual supplement, and mutual development. We should actively expand personnel contacts, and promote exchanges in tourism, culture, education, public health, science, and technology. We should turn more one-way services into two-way exchanges, and the indirect "three links" into direct "three links." We should do propaganda work well to make Taiwan compatriots understand Zhejiang and the motherland during their visits, sightseeing trips, and business and trade talks, and in the course of exchange and cooperation projects. We should promote mutual understanding between the people across the strait through radio, movie, and television programs.

The meeting emphasized: The work towards Taiwan is a duty shared by the whole party, all the people, and all

circles of society. Party committees and governments at all levels should strengthen their leadership, organize and mobilize the forces in all quarters, unite with all those who can be united, mobilize all positive factors, take the initiative in doing the work towards Taiwan well at various levels and through various channels, and

strive to accomplish the motherland's peaceful reunification, build Zhejiang, and rejuvenate China.

Vice Governor Wang Zhonglu conveyed to the meeting the guidelines of the national meeting on work towards Taiwan.

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